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83D CONGRESS
1ST SESSION

H. R. 4303

IN THE HOUSE OF REPRESENTATIVES

MARCH 30, 1953

Mr. LANE introduced the following bill; which was referred to the Committee on Merchant Marine and Fisheries

A BILL

To further encourage the distribution of fishery products, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act of August 11, 1939 (53 Stat. 1411), is hereby
4 amended to read as follows:
5 "From the funds available to the Secretary of Agriculture
6 to carry out the provisions of section 32 of the Act of August
7 24, 1935 (49 Stat. 774), as amended, $3,000,000 a year
8 shall be transferred to the Secretary of the Interior to be
9 used to encourage domestic consumption of surplus fishery
10 products (including fish, shellfish, mollusks, and crustacea),
11 by diverting them from the normal channels of trade and

1 commerce, by acquiring them and providing for their distri-
2 bution through Federal, State, and private relief channels:
3 *Provided,* That none of the funds made available under this
4 Act shall be used to purchase any of the commodities desig-
5 nated in this section which may have been produced in a
6 foreign country. The provisions of law relating to the acqui-
7 sition of materials and supplies for the United States shall
8 not apply to the acquisition of commodities under this Act.
9 "SEC. 2. From the funds provided by section 1 hereof,
10 the Secretary of the Interior shall maintain separate funds of
11 $750,000, which shall be used by the Secretary of the In-
12 terior to promote the free flow of domestically produced
13 fishery products in commerce by conducting a fishery edu-
14 cational service and fishery technological and related research
15 programs, the moneys so transferred to be also available for
16 the purchase of or other acquisition, construction, equipment,
17 operation, and maintenance of vessels or other facilities neces-
18 sary for conducting research provided for in this section; and
19 of $250,000 which shall be used by the Secretary of the
20 Interior to develop and increase markets for fishery products
21 of domestic origin.
22 "For the purposes of this section, any agency of the
23 United States, or any corporation wholly owned by the
24 United States, is authorized to transfer, without reimburse-

1 ment or transfer of funds, any vessels or equipment excess
2 to its needs required by the Secretary of the Interior for the
3 activities, studies, and research authorized herein.

4 "SEC. 3. In carrying out the purposes and objectives of
5 the foregoing, the Secretary of the Interior is directed as far
6 as practicable to cooperate with and to use the facilities of
7 the Department of Agriculture for the purchase and distribu-
8 tion of fishery products authorized herein, and the Secretary
9 of the Interior is authorized to cooperate with other appro-
10 priate agencies of the Federal Government, with State or
11 local governmental agencies, private agencies, organizations,
12 or individuals, having jurisdiction over or an interest in fish
13 or fishery commodities."

83D CONGRESS
1ST SESSION

H. R. 4303

A BILL

To further encourage the distribution of fishery products, and for other purposes.

By Mr. LANE

MARCH 30, 1953

Referred to the Committee on Merchant Marine and Fisheries

83D CONGRESS
1ST SESSION

H. R. 5829

IN THE HOUSE OF REPRESENTATIVES

JUNE 18, 1953

Mr. BATES introduced the following bill; which was referred to the Committee on Merchant Marine and Fisheries

A BILL

To further encourage the distribution of fishery products, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act of August 11, 1939 (53 Stat. 1411), is hereby
4 amended to read as follows:
5 "(a) That from the funds available to the Secretary of
6 Agriculture to carry out the provisions of section 32 of the
7 Act of August 24, 1935 (49 Stat. 774), as amended,
8 $1,000,000 a year shall be transferred to the Secretary of
9 the Interior who shall maintain separate funds of (1) $750,-
10 000 which shall be used by him to promote the free flow of
11 domestically produced fishery products in commerce by con-

1 ducting a fishery educational service and fishery technological
2 and related research programs, the moneys so transferred to
3 be also available for the purchase, or other acquisition, con-
4 struction, equipment, operation, and maintenance of vessels
5 or other facilities necessary for conducting research as pro-
6 vided in this section; and (2) $250,000 which shall be used
7 by him to develop and increase markets for fishery products
8 of domestic origin.

9 "(b) For the purposes of this section, any agency of
10 the United States, or any corporation wholly owned by the
11 United States, is authorized to transfer, without reimburse-
12 ment or transfer of funds, any vessels or equipment excess
13 to its needs required by the Secretary of the Interior for the
14 activities, studies, and research authorized herein.

15 "SEC. 2. In carrying out the purposes and objectives of
16 this Act, the Secretary of the Interior is directed as far as
17 practicable to cooperate with other appropriate agencies of
18 the Federal Government, with State or local governmental
19 agencies, private agencies, organizations, or individuals,
20 having jurisdiction over or an interest in fish or fishery com-
21 modities."

83D CONGRESS
1ST SESSION

H. R. 5829

A BILL

To further encourage the distribution of fishery products, and for other purposes.

By Mr. BATES

JUNE 18, 1953

Referred to the Committee on Merchant Marine and Fisheries

83D CONGRESS
2D SESSION

S. 2802

IN THE SENATE OF THE UNITED STATES

JANUARY 22, 1954

Mr. SALTONSTALL (for himself, Mr. KENNEDY, Mr. BEALL, Mr. BURKE, Mr. BUTLER of Maryland, Mr. CORDON, Mr. EASTLAND, Mr. FERGUSON, Mr. GEORGE, Mr. GREEN, Mr. HENDRICKSON, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. LEHMAN, Mr. LENNON, Mr. MAGNUSON, Mr. MORSE, Mr. PASTORE, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. STENNIS, Mr. THYE, and Mr. WILEY) introduced the following bill; which was read twice and referred to the Committee on Interstate and Foreign Commerce

A BILL

To further encourage the distribution of fishery products, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 2 of the Act of August 11, 1939 (53 Stat.
4 1411), is hereby amended to read as follows:
5 "SEC. 2. (a) The Secretary of Agriculture shall trans-
6 fer to the Secretary of the Interior each fiscal year, begin-
7 ning with the fiscal year commencing July 1, 1954, from
8 moneys made available to carry out the provisions of section

1 32 of such Act of August 24, 1935, an amount equal to
2 30 per centum of the gross receipts from duties collected
3 under the customs laws on fishery products (including fish,
4 shellfish, mollusks, and crustacea), which shall be maintained
5 in a separate fund and used by the Secretary of the Interior
6 (1) to promote the free flow of domestically produced fishery
7 products in commerce by conducting a fishery educational
8 service and fishery technological, biological and related re-
9 search programs, the moneys so transferred to be also avail-
10 able for the purchase or other acquisition, construction, equip-
11 ment, operation, and maintenance of vessels or other facili-
12 ties necessary for conducting research as provided for in
13 this section, and (2) to develop and increase markets for
14 fishery products of domestic origin.

15 "(b) For the purposes of this section, any agency of
16 the United States, or any corporation wholly owned by the
17 United States, is authorized to transfer, without reimburse-
18 ment or transfer of funds, any vessels or equipment excess
19 to its needs required by the Secretary of the Interior for the
20 activities, studies, and research authorized herein.

21 "(c) In carrying out the purposes and objectives of
22 this section, the Secretary of the Interior is directed as far
23 as practicable to cooperate with other appropriate agencies
24 of the Federal Government, with State or local governmen-
25 tal agencies, private agencies, organizations, or individuals,

1 having jurisdiction over or an interest in fish or fishery
2 commodities.
3 "(d) The Secretary of the Interior is further authorized
4 to retransfer any of the funds made available under this
5 section to the Secretary of Agriculture to be used for the
6 purposes specified in section 1 of this Act."

83D CONGRESS
2D SESSION

S. 2802

A BILL

To further encourage the distribution of fishery products, and for other purposes.

By Mr. SALTONSTALL, Mr. KENNEDY, Mr. BEALL, Mr. BURKE, Mr. BUTLER of Maryland, Mr. CORDON, Mr. EASTLAND, Mr. FERGUSON, Mr. GEORGE, Mr. GREEN, Mr. HENDRICKSON, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. LEHMAN, Mr. LENNON, Mr. MAGNUSON, Mr. MORSE, Mr. PASTORE, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. STENNIS, Mr. THYE, and Mr. WILEY

JANUARY 22, 1954

Read twice and referred to the Committee on Interstate and Foreign Commerce

as extended, until July 1, 1955, reported by Mr. SALTONSTALL, from the Committee on Armed Services, was read twice by its title, and placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD (by request):

S. 2791. A bill for the relief of Ernesto De-Leon; to the Committee on the Judiciary.

By Mr. GRISWOLD (by request):

S. 2792. A bill to enable World War II veterans to qualify for benefits of the Servicemen's Readjustment Act of 1944 of which they would otherwise be deprived because of recall to active service in the Armed Forces; to the Committee on Labor and Public Welfare.

By Mr. FERGUSON:

S. 2793. A bill for the relief of Gerardo R. Luzod; to the Committee on the Judiciary.

By Mr. MALONE:

S. 2794. A bill to provide for one or more national cemeteries in the State of Nevada; to the Committee on Interior and Insular Affairs.

S. 2795. A bill for the relief of Anthony Hourzamanis; to the Committee on the Judiciary.

By Mr. POTTER:

S. 2796. A bill to authorize the Federal Trade Commission to issue rules and regulations for labeling certain fabrics containing synthetic fibers; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. POTTER when he introduced the above bill, which appear under a separate heading.)

By Mr. GOLDWATER:

S. 2797. A bill to define an Indian for the purpose of providing special Federal services, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. GOLDWATER when he introduced the above bill, which appear under a separate heading.)

By Mr. GILLETTE:

S. 2798. A bill for the relief of Azizollah Azordegan; to the Committee on the Judiciary.

By Mr. CORDON:

S. 2799. A bill for the relief of Lee Bock (Bak) Foo; to the Committee on the Judiciary.

By Mr. BUTLER of Maryland:

S. 2800. A bill to accelerate consideration by the courts of criminal proceedings involving treason, espionage, sabotage, sedition, and subversive activities, and to increase to 15 years the statute of limitations applicable to such offenses; to the Committee on the Judiciary.

By Mr. BRICKER:

S. 2801. A bill for the relief of Graphic Arts Corp. of Ohio; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself, Mr. KENNEDY, Mr. BEALL, Mr. BURKE, Mr. BUTLER of Maryland, Mr. CORDON, Mr. EASTLAND, Mr. FERGUSON, Mr. GEORGE, Mr. GREEN, Mr. HENDRICKSON, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. LEHMAN, Mr. LENNON, Mr. MAGNUSON, Mr. MORSE, Mr. PASTORE, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. STENNIS, Mr. THYE, and Mr. WILEY):

S. 2802. A bill to further encourage the distribution of fishery products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. SALTONSTALL:

S. 2803. To continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1955; placed on the calendar.

(See the remarks of Mr. SALTONSTALL when he reported the above bill from the Committee on Armed Services, which appear under a separate heading.)

By Mr. DWORSHAK:

S. 2804. A bill to provide for the reconveyance of certain lands in the Albeni Falls Reservoir project, Idaho, to former owners of such lands; to the Committee on Armed Services.

RULES AND REGULATIONS FOR LABELING CERTAIN FABRICS CONTAINING SYNTHETIC FIBERS

Mr. POTTER. Mr. President, I introduce for appropriate reference a bill to authorize the Federal Trade Commission to issue rules and regulations for labeling certain fabrics containing synthetic fibers. I ask unanimous consent that I may be permitted to make a brief statement concerning the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the Senator from Michigan may proceed.

The bill (S. 2796) to authorize the Federal Trade Commission to issue rules and regulations for labeling certain fabrics containing synthetic fibers, introduced by Mr. POTTER, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

Mr. POTTER. Mr. President, it has been brought to my attention that certain concerns have advertised items of wearing apparel for sale as containing 100 percent synthetic materials, which, upon later examination, revealed less than 10 percent synthetic content. In view of the increasing popularity of synthetic fiber garments, it is necessary that some steps be taken to protect the consumer against misrepresentations of this nature.

The bill would require manufacturers of synthetic fiber materials to show on the labels the percentage and content of synthetic fiber and would make it unlawful to retail any such merchandise not properly labeled. Because of similar misrepresentations with wool fabrics some time ago, it became necessary to adopt what is known as the Wool Labeling Act of 1918. My bill would perform a similar function to protect the consumer, as well as the manufacturer, and may be termed as the Synthetic Fiber Labeling Act of 1954.

DEFINITION OF AN INDIAN

Mr. GOLDWATER. Mr. President, I introduce for appropriate reference a bill to define an Indian for the purpose of providing special Federal services, and for other purposes. I ask unanimous consent to make a brief statement concerning the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the Senator from Arizona may proceed.

The bill (S. 2797) to define an Indian for the purpose of providing special Federal services, and for other purposes, introduced by Mr. GOLDWATER, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. GOLDWATER. It has become increasingly difficult in the last 25 years to answer precisely the question, Who is an Indian? There are various definitions in existence, some imposed by the tribes themselves and others by law, such as the limitation that the Indian Bureau can pay school tuition only for Indians possessing a minimum of one-quarter degree of Indian blood.

This problem of definition involves the related question of wardship or trusteeship, tribal membership and maintenance of tribal rolls. Today many services and privileges intended solely for Indians, as interpreted by the old and accepted definition of an Indian as being a full-blood, are being enjoyed by people who could not be adjudged Indians by any ethnic formula. When the matter of allocation of tribal lands and other properties to individual Indians becomes a question, this definition becomes even more necessary.

The question is a complex one, but until it is settled by law the problem remains open ended, and not even a gradual narrowing of the limits of Federal responsibility will be possible.

The bill I have introduced proposes to define an Indian, and it states, as its definition, that only persons who have one-half degree or more of Indian blood shall be regarded as Indians.

DISTRIBUTION OF FISHERY PRODUCTS

Mr. SALTONSTALL. Mr. President, it is my privilege to send to the desk for appropriate reference a bill designed to revitalize the Nation's domestic fishing industry. The bill, which my colleague the junior Senator from Massachusetts [Mr. KENNEDY] and I have worked on together, is sponsored by a genuinely bipartisan group, including 13 Republicans, 13 Democrats, and 1 Independent. My colleague from Massachusetts and I have prepared a statement describing the scope and purpose of the bill. On behalf of my colleague the junior Senator from Massachusetts and myself I request unanimous consent that this summary be incorporated into the body in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the summary will be printed in the RECORD.

The bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes, introduced by Mr. SALTONSTALL (for himself, Mr. KENNEDY, Mr. BEALL, Mr. BURKE, Mr. BUTLER of Maryland, Mr. CORDON, Mr. EASTLAND, Mr. FERGUSON, Mr. GEORGE, Mr. GREEN, Mr. HENDRICKSON, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. LEHMAN, Mr. LENNON, Mr. MAGNUSON, Mr. MORSE, Mr. PASTORE, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. STENNIS, Mr. THYE, and Mr. WILEY), was received, read twice by its title, and

referred to the Committee on Interstate and Foreign Commerce.

The summary presented by Mr. SALTONSTALL (for himself and Mr. KENNEDY) is as follows:

SCOPE AND PURPOSE OF THE SALTONSTALL-KENNEDY FISHERIES BILL

The fishing industry throughout the United States is in an increasingly difficult position. Decreased catches, depletion of fishing grounds, and a lack of improved techniques have all harmed this basic American industry. Rising imports have subjected it to particularly severe pressure.

In 1952, the domestic fishing industry caught 4.3 billion pounds of fish and shellfish worth more than $325 million. Directly and indirectly, the industry employed 550,000 people. As a means of overcoming its difficulties, the basic recommendation of all recent studies, including those authorized by the Congress, is an increase in research and development activities. The fishing industry, however, is one composed of individuals and small companies lacking the resources necessary to carry on these activities on a long-term basis. These recent studies have accordingly made the further recommendation that needed research and development projects be carried on by the Fish and Wildlife Service of the Department of the Interior. For this purpose, additional funds will be needed.

Because the difficulties of the industry so largely stem from competition by imports, the most appropriate source of additional funds for this purpose is the revenue derived from those same imports. Under existing law, however, the only portion of import revenues not turned over to the general Treasury goes to the Department of Agriculture. The law making these funds available to the Department of Agriculture is section 32 of the act of August 24, 1935, by which there is appropriated and made available to the Secretary of Agriculture for each fiscal year an amount equal to 30 percent of the gross receipts from duties collected under the customs laws during the preceding calendar year. The Secretary is directed to use these funds to subsidize the export of agricultural commodities, to make support purchases of such commodities, and to make production payments to farmers. His only authority to use any part of these funds for the benefit of the domestic fishing industry derives from the act of August 11, 1939.

The 1939 act authorizes the Secretary of Agriculture to use not more than $1,500,000 per year of section 32 funds to purchase and divert surplus fishery products for distribution through relief channels. It also permits him to transfer to the Secretary of the Interior $75,000 to conduct a fishery educational service and $100,000 to develop and increase markets for fishery products of domestic origin. In practice, the authority to purchase surplus fishery products has never been used, although in recent years the funds for a fishery educational service and for market development have been regularly transferred.

Since enactment of the act of 1939, however, gross receipts from duties on fishery products have increased enormously. In 1940 the total amount was $4,772,428; by 1952 it had increased to $11,982,000, an increase of more than 250 percent. During this same period the value of fishery imports increased from $40 million to over $200 million. The domestic industry, in the meantime, by voyaging farther and farther afield at greater and greater expense for every pound of fish caught, has barely managed to hold the share of the market it had at the beginning of the period.

It is thus evident that during a period when the domestic fishing industry has been increasingly in need of assistance in meeting competition from abroad, it has been making increasingly large indirect contributions for purposes unrelated to this need. The proposed bill is aimed at correcting this plainly unfair situation.

To accomplish this the bill would require the Secretary of Agriculture to transfer to the Secretary of the Interior every year from the funds made available under the act of August 24, 1935, that portion derived from the duties on fishery products. The Secretary of Agriculture would still retain power to make support purchases of surplus fishery products under section 1 of the 1939 act should it ever be deemed desirable to exercise this authority. The Secretary of the Interior would have power under section 2 (d) to retransfer funds made available under the proposed bill to the Department of Agriculture for this purpose.

The remaining funds (ordinarily the entire amount) would be used by the Secretary of the Interior to conduct a fishery educational service and fishery research programs and to develop and increase markets for fishery products of domestic origin. In carrying out these programs the Secretary of the Interior would cooperate with other agencies of the Federal, State, and local governments and with interested private organizations and individuals.

Such functions are, of course, appropriately within the jurisdiction of the Federal Government and are seriously required at the present time. To finance them out of section 32 funds would benefit the fishing industry without any sacrifice to agricultural research. The funds available to the Department of Agriculture under section 32 during recent fiscal years have been in the following total amounts:

1950	$125,600,000
1951	111,000,000
1952	159,000,000
1953	181,000,000
1954	172,000,000
1955 (estimated)	180,000,000

The Agricultural Act of 1949 provides for an accumulation of section 32 funds by the Department of Agriculture up to a total of $300 million. Any excess over this amount must be turned back by the Department of Agriculture to the Department of the Treasury. In fiscal 1954, $27 million has been turned back—a sum, in other words 7 or 8 times the total which would be made available to the Department of the Interior under the proposed bill to meet the research and development needs of the fishing industry.

In the field of biological and oceanographic research, the most urgent need is to explore the reasons for fluctuations in the supply of fish. Reports from the Great Lakes, Alaska, and the Pacific States, and from all along the Atlantic coast from the Grand Banks to Mexico, confirm the importance of stability of supplies in establishing new markets for fishery products. Hope for overcoming this problem lies in research on ocean currents, changes in water temperature, abundance of fish food, and other shifting conditions. With present knowledge it is impossible to distinguish fluctuations in abundance from fluctuations in accessibility and to advise fishermen accordingly.

In the technological field, development could be undertaken of chemical tests for freshness of chilled and frozen fish and shellfish so as to provide means for control of quality. Study could be initiated of methods of freezing shrimp at sea in the Gulf of Mexico area to prevent spoilage. Methods might also be found of handling, freezing, and packaging Southern oysters to broaden the market beyond the now purely local distribution of the fresh product.

To develop and increase markets for fishery products, much more data than is now being collected would be helpful in determining the proper utilization of our saltwater and fresh-water fishery resources. Receipts and wholesale prices could be collected in eight large consuming cities (Philadelphia, Baltimore, Cleveland, Detroit, St. Louis, St. Paul, Los Angeles, and Pittsburgh) not now covered by the Market News Service. Surveys could usefully be made, too, of the distribution of fishery products in New York and Chicago in order to determine the changes in marketing since the advent of frozen packaged fish and shellfish products.

Among the educational projects beneficial to the industry which a lack of funds precludes at this time is the development of new uses for the underdeveloped and less popular species, both fresh-water and salt-water, so as to provide year-round employment and stabilize market prices for the fishermen, processors, marketers, and consumers of domestically produced fishery products.

Many other examples could be cited of projects beneficial to the fishing industry which the funds provided for in the enclosed bill may eventually make possible. Those mentioned, however, should serve to make clear that the need is great, and adoption of the means of meeting it provided for in the proposed bill would be a long step forward.

TEMPORARY CONTINUATION OF CERTAIN POST OFFICES

Mr. JOHNSTON of South Carolina. Mr. President, I submit for appropriate reference a concurrent resolution, which reads as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that hereafter the Postmaster General should not discontinue any United States post office until the expiration of 60 days after he shall have reported to the Committee on Post Office and Civil Service of the Senate and the Committee on Post Office and Civil Service of the House of Representatives on the necessity and advisability of such action.

The concurrent resolution (S. Con. Res. 56), submited by Mr. JOHNSTON of South Carolina, was received and referred to the Committee on Post Office and Civil Service.

PRINTING ADDITIONAL COPIES OF SENATE REPORT NO. 848, 83D CONGRESS, ON KOREAN ATROCITIES

Mr. POTTER submitted the following resolution (S. Res. 194), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Government Operations be authorized to have printed for its use 50,000 copies of Senate Report No. 848, a report pursuant to Senate Resolution 40, 83d Congress, 1st session, relative to an investigation of Korean war atrocities.

INVESTIGATION OF RECENT COFFEE PRICE INCREASES

Mr. BEALL submitted the following resolution (S. Res. 195), which was referred to the Committee on Banking and Currency:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to make a study and investigation for the purpose of determining the reasons for the recent sharp increases in the price of coffee to American consumers and what legislative or other action may be taken for the purpose of assuring an adequate and stable supply of coffee to American consumers at a reasonable price. The committee shall report to the Senate at the earliest

Calendar No. 1216

83d Congress, 2d Session | SENATE | Report No. 1210

ENCOURAGEMENT OF DISTRIBUTION OF FISHERY PRODUCTS

April 14, 1954.—Ordered to be printed

Mr. Duff, from the Committee on Interstate and Foreign Commerce, submitted the following

REPORT

[To accompany S. 2802]

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

I. Introduction

The purpose of the bill is to earmark an amount equal to 30 percent of the gross receipts from duties collected under the custom laws on fishery products to be transferred by the Secretary of Agriculture to the Secretary of the Interior to be used in promoting the free flow of domestically produced fishery products in commerce.

II. Committee Amendments

First committee amendment: On page 2, line 4, strike out the word "and", and add after the word "crustacea" the following language:

, aquatic plants and animals, and any products thereof, including processed and manufactured products.

The purpose of this amendment is to include objects that are generally understood to be embraced in the term "fishery products." For instance, it would include marine animals such as whales, seals, etc.; aquatic reptiles such as turtles; aquatic plants such as kelp, Irish moss, and agar; and sponges. Research activities of the Fish and Wildlife Service are concerned with all of these and the products derived from them.

Second committee amendment: On page 2, line 13, strike out the first "and". On page 2, line 14, strike out the period, substitute a comma in lieu thereof, and add the following language:

and (3) to conduct any biological, technological or other research pertaining to American fisheries.

The purpose of this amendment is to make clear that the Secretary of the Interior may engage in any type of research on land or on the high seas, and not limited strictly to research directed particularly and directly at promoting "the free flow of domestically produced fishery products in commerce," provided the research pertains to our American fisheries. This is simply a clarifying amendment and adds no substance to the bill. However, it will serve to dispel the doubts of a few industry spokesmen who feared that a strict interpretation of this section, as originally drafted, might preclude the broader and equally necessary type of research.

Third committee amendment: On page 3, line 2, strike out the period, substitute a comma in lieu thereof, and add the following language:

and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules and regulations pertaining to requests for assistance, and other matters.

This amendment would authorize the Secretary of the Interior to appoint a group of experts in our domestic fisheries and fishery products industry to give him advice or advisory opinions on matters within his jurisdiction under the provisions of this bill. The power is made absolutely discretionary in the Secretary. The responsibility for initiating, continuing, or discontinuing such an advisory committee is placed within the complete discretion of the Secretary. The decisions are the prerogative and ultimate responsibility of the Secretary. This amendment was added to make the Secretary's source of information as broad as possible.

Fourth committee amendment: On page 3, line 6, before the period, insert the following language:

and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this Act with respect to domestically produced fishery products.

The purpose of this amendment is to remove a doubt raised by the Department of Agriculture, which pointed out that it was not altogether clear whether the retransfer of funds, provided for purchase and distribution activities in connection with a surplus of fishery products under section 1 of the act, is in addition to or in lieu of the funds otherwise available under that section of the original act. This amendment makes it clear that the retransfer of funds is in lieu of the funds heretofore made available for those purposes. As the full 30 percent of gross custom revenues on fishery products are now made available to the Secretary of Interior with an authorized annual reserve fund of $5 million, your committee believes that fairness dictates that the Secretary of Agriculture need not make use of other funds, destined for agricultural assistance, for the marketing of surpluses of fishery products. In effect, the Secretary of Commerce has not made use of these powers with respect to fishery products in the past, as there has been no notable surplus of fishery products. Should fishery products increase to the point that they would be in excess supply, this would

generally be an indication that the program contained in this bill has been successful. It is expected that less funds would then be needed for research for increasing the supply of certain types of fishery products and the Secretary of the Interior would be in a better position to advance needed funds to the Secretary of Agriculture for the purposes of section 1 of the act with respect to fishery products.

Fifth committee amendment: On page 3, after line 6, add a new subsection as follows:

(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) and the annual accruals thereto shall be available until expended, except that the balance of the fund shall not exceed five million dollars at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said five million dollars' balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the Act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

This limitation is similar to that placed upon the Secretary of Commerce under section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended. That act established a special fund equal to 30 percent of the gross receipts collected from customs duties. The act made this and the annual accruals thereto available until expended with the proviso that the balance of the fund might not exceed $300 million at the end of any fiscal year. The Department of the Interior suggested that the fund proposed to be created under this bill be likewise limited and that such limitation be fixed at $5 million. This would permit accurals to the fund to offset or at least minimize fluctuations in the amounts derived from import duties on fishery products. The continuing availability of such a fund would make it possible for the Secretary of the Interior to plan research and development activities for the fishing industry on a long-term basis.

III. General Legislative Background

Section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended, appropriated and set apart annually in a special fund an amount equal to 30 percent of the annual gross receipts from the duties collected under the customs laws. This special fund was to be expended by the Secretary of Agriculture to encourage exportation and domestic consumption of agricultural products. Section 2 (a) of the act of August 11, 1939 (53 Stat. 1411; 15 U. S. C. 713c–2), which would be amended by the bill as reported, authorized the Secretary of Agriculture to transfer to the Secretary of the Interior from the special fund established by the 1935 act, outlined above, $75,000 for use in promoting "the free flow of domestically produced products in commerce by conducting a fishery educational service," and $100,000 to be used by the Secretary of the Interior "to develop and increase markets for fishery products of domestic origin." The pending bill, insofar as it pertains to the availability and use of funds is simply an increase in these amounts to an amount equal to 30 percent of the gross receipts from duties collected under the customs laws from the importation of various fishery products. It is no departure from the methods set forth in the original act and, therefore, presents no novel budgetary aspects.

IV. Scope of the Bill

The bill as reported would amend section 2 of the act of August 11, 1939 (53 Stat. 1411; 15 U. S. C. 713 C–2), the scope of which has just been outlined.

In lieu of the total of $175,000 made available by the Secretary of Agriculture to the Secretary of the Interior by the 1939 act, the bill would direct the Secretary of Agriculture to transfer to the Secretary of the Interior each fiscal year (from moneys made available to carry out the provisions of sec. 32 of the act of August 24, 1935, explained above), an amount equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products.

These funds would be maintained in a separate fund and used by the Secretary of the Interior—

(1) To promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological, and related research programs;

(2) To develop and increase markets for fishery products of domestic origin; and

(3) To conduct any biological, technological, or other research pertaining to American fisheries.

The bill then provides for full cooperation by the Secretary of the Interior with the Federal agencies, State or local governmental agencies, and interested private organizations and individuals.

The Secretary of the Interior is authorized to retransfer funds to the Secretary of Commerce under the circumstances and with the limitations explained under the heading "Fourth Committee Amendment," above.

The Secretary of the Interior is permitted to appoint an advisory committee of the American fisheries industry. This aspect of the bill has been developed under the heading "Third Committee Amendment," above.

A limitation of $5 million has been placed upon the annual balance of the separate fund maintained by the Secretary of the Interior. The unused surplus must be retransferred to the Secretary of Agriculture. This feature of the bill has been explained under the heading "Fifth Committee Amendment," above.

The remaining provisions of the bill are largely technical and merely implement the powers granted.

V. Difficult Position of Fishing Industry

Your committee's Subcommittee on Fisheries and Wildlife held a lengthy hearing on S. 2802 on April 1, 1954. It heard the testimony of more than 20 experts in the industry and received communications from many more. Every witness endorsed unequivocally the provisions of this bill and urged its prompt passage by Congress.

Throughout the United States, our fishing industry is in an increasingly serious and difficult position. An absence of scientific conservation measures, a lack of knowledge upon which to base effective conservation, grossly inadequate research and, as a result thereof, decreased catches, maladjustments to fluctuations in supply, and a lack of improved techniques have all combined to injure this basic

American industry. Its most serious ailments are the decrease in supply and the increase in competition from imports of foreign fishery products.

A. DECREASE IN SUPPLY OF FISHERY PRODUCTS

Expert witnesses representing coastal areas throughout the country and the Great Lakes region testified before the subcommittee upon the alarming developments in our fishing industry. A few examples of the facts adduced will suffice.

Senator Warren G. Magnuson pointed out at the hearings that the salmon industry has experienced its worst year in 40 years. Canned salmon production in the Territory of Alaska declined from a peak of approximately 8½ million cases in 1946 to a low of 3 million cases in 1953. Other fisheries on both the Pacific and Atlantic coasts are experiencing similar decreases although, so far, not quite so sensational. Pink salmon practically disappeared last year.

In salmon alone [Senator Magnuson stated]:

> We are dealing with a $100 million a year industry and we have been spending less than $200,000 a year in research. The economy of both Alaska and the Pacific Northwest demands that we know facts that only research will reveal.

In the past, mackerel had been one of the important species landed at the port of Gloucester, Mass. Over the last 10-year period, mackerel has dropped from a high of 32 million pounds per year to a low of 2.6 million pounds per year. No one knows what has happened to the mackerel in that area. There has been nothing unusual that might explain this disappearance. There has been no increase in the number of people fishing for them nor in the number of boats engaged in mackerel fishing. The same type of nets is being used.

In the same area, annual catches of redfish, or ocean perch, which constitutes approximately 75 percent of the total landings at Gloucester, Mass., have dropped in the last 10 years from 177 million pounds down to 88 million pounds last year. In recent years prior to this 10-year period, their landings of ocean perch have been 250 million pounds a year. The redfish fishermen of Gloucester and Portland, Maine, who used to catch the fish within 30 and 40 miles of port, now must go as far as 1,200 miles.

Pollack, a species of ground fish, used to be a substantial species landed at Gloucester. Within the past 10 years, landings in that species alone have dropped from 18.6 million pounds down to 4.5 million pounds.

The flounder fishermen on the coast of Rhode Island and the coast of Connecticut in the past few years have had to abandon some of the activities they engaged in of providing the sole and flounder fillets for the eastern part of the country, and had to resort to trash fishing because of a reduction in the normal number of fish they caught.

The scallop fishing at the port of New Bedford, Mass., has all but ceased because of the lack of scallop.

A witness testified that the port of Boston, Mass., which has depended for many years on the haddock, is in dire straits.

A similar situation exists in the Maine sardine canneries which are often set up and placed in readiness or operation for the annual harvest and the harvest fails to appear. The Maine sardine industry is faced with an emergency of real proportions. This has been brought on

by an abnormal scarcity of fish in 2 of the past 3 years. Prior to 1951, there had not been a serious shortage of herring in Maine waters for 13 years. During the 1951 season, catches and, therefore, sardine production was off more than 50 percent as compared with a 25-year average, and in 1953 the situation was repeated.

This double blow has actually staggered Maine processors whose operations and profits are necessarily based on volume production in order to cope with their competitors in the food manufacturing field. Hundreds of fishermen have lost whatever little money they had saved or have been forced out of business. Scores of affected factory workers have not earned enough money to qualify for unemployment compensation. The economy of the Maine coast has been dealt a severe blow. The situation has affected other States along the coast as well, because the herring run over a large area off the New England coast.

The oyster industry has occupied an important position in the economy of the Gulf States for the past 50 years. It provides employment for hundreds of fishermen and for greater numbers of people in the processing and distributing plants. The most recent figures show that the southern oyster provides nearly 6,000 tons annually of the most nourishing kind of food to the Nation and adds approximately 10 millions of dollars to the economy of the Gulf States. However, the figures also show that there has been a tremendous drop in production and Florida, for example, is now producing only one-fifth of its former yield.

Those examples, among many others contained in the hearings upon S. 2802, serve to point up some of the difficulties that beset our domestic fisheries industry. Still, this is but one part of the story of its troubles. It is hard pressed by the competition of imported foreign fishery products.

B. COMPETITION OF IMPORTED FISHERY PRODUCTS

The amount of competition which our domestic fishery products industry has to meet from imports of foreign fishery products can be judged best from a study of the gross receipts from duties on fishery products. These gross receipts have increased enormously. In 1940, the total amount was $4,772,428; by 1952, it had increased to $11,982,000, an increase of more than 150 percent. During this same period the value of fishery imports increased from $40 million to over $200 million. The domestic industry, in the meantime, by voyaging farther and farther afield at greater and greater expense for every pound of fish caught, has barely managed to hold the share of the market it had at the beginning of the period. It is thus evident that during a period when the domestic fishing industry has been increasingly in need of assistance in meeting competition from abroad, it has been making increasingly large indirect contributions for purposes unrelated to this need. The proposed bill is directed at the correction of this plainly unfair situation. Because the industry's difficulties so largely stem from competition by imports, an appropriate source of supplementary funds for research and development is the revenue derived from those same imports. The earmarking of a portion of this revenue would go far toward meeting the fishing industry's most urgent research and development needs.

While many of our domestic unsolved fishery problems are of long standing, they unquestionably have been accentuated by recent substantial changes in the import-export field. For every 10 pounds of fish caught, processed, and distributed as a domestic product, 7 pounds of foreign-caught fish also are made available to the domestic trade. This competitive situation has grown rapidly in the last few years and has affected most seriously the New England ground fish fillet industry, the Great Lakes fresh fish producers, the gulf and South Atlantic shrimp fisheries, the Pacific coast tuna industries, and the fishmeal industries on all of our coasts. While imports on foreign fishery products have climbed steadily, our fishery export trade has declined. The competition of foreign fishery products is becoming increasingly serious and many of these foreign fishery products are subsidized by their governments.

Since World War II, Morocco, Yugoslavia, South Africa, Australia, and Japan, among other countries, have been concentrating on our markets while Portugal and Norway, our domestic sardine industry's two largest competitors, have expanded their merchandising activities in this country to a great degree. Canada is sending more and more fishery products, particularly ground fish fillets, into this country in competition with New England fishery products. Mexico is exporting more and more shrimp into this country. Ground fish fillets, canned tuna, and shrimp are the primary imports which compete with our domestic industry's fishery products.

The cost of production in this country is higher than the cost of production abroad. Duties in a measure compensate for this. Still, our domestic industry is not asking at this time for protection through higher tariffs. It is asking the Congress for funds for research, so that it may improve its techniques, increase its catches, and lower its own production costs. It can then compete fairly and squarely with foreign producers. The pending bill would go far toward making this goal an attainable one. The amount of funds involved in this bill is a modest price for this Nation to pay in order to revitalize our domestic fisheries industry.

VI. The Public Interest Involved

A. VALUE OF OUR DOMESTIC FISHING INDUSTRY

Fish is one of our finest protein foods. The retail value of domestic fishery products in the United States is more than a billion dollars annually. Our fishery resources are an essential segment of the economy of the United States.

Each year at ports of landing along the Atlantic coast fishermen realize $140 million from their catches. At ports along the gulf coast these catches are valued at $64 million; along the Pacific coast, at $97 million; in Alaska, at $39 million; and on the Great Lakes, at $21 million. The total value of these domestic landings is $361 million annually. At the same time, the declared value of fishery imports is $240 million a year. Directly and indirectly, our domestic fishery products industry employs 550,000 people. It spends more than half of each dollar of income for labor. Were this country to fail to take every means at its command to preserve and develop this rich natural resource, it would be following a shortsighted policy in deed, and we would merit the blame that future generations would surely place upon us.

B. ENFORCED CONSERVATION A "MUST"

John Ruskin, the English essayist, once wrote:

> God has lent us the earth for our life. It is a great entail. It belongs as much to those who are to come as to us, and we have no right by anything we do or neglect, to involve them in any unnecessary penalties, or to deprive them of the benefits which was in our power to bequeath.

In every country, scientific forestry is beginning to replace irresponsible lumbering. Scientific farming and conservation is playing a vital part in the increased production of agricultural products. Mankind has learned that, without proper management of basic resources, the harvests dwindle to a bare subsistence. This same law of nature applies to fisheries. However, research must precede conservation, in order to make it efficient and productive. The pending bill would provide the funds for intelligent and coordinated research.

The importance of conservation was graphically portrayed by Mr. Stanley R. Tupper, commissioner, Department of Sea and Shore Fisheries of the State of Maine, in his testimony before your committee's Subcommittee on Fisheries and Wildlife. Mr. Tupper stated:

> Since the dawn of history men have gone down to the sea to find their food. Primitive dugouts have given way to diesel-motored trawlers; crude hand-woven nets have been replaced by huge windlass-operated trawls. The fertility of the sea has always produced enough for our wants, and we thoughtlessly have supposed it will continue to do so. The trend of thought has been that "a fish is a fish" and the ocean stretches off to meet the sky—if fishing is not good in one place, it is sure to be all right in another. I think we all realize that nothing could be further from the truth.
>
> Nature has provided man with a bountiful supply of resources to meet his every need. Wise men, even primitive men, knew that they must live in harmony with nature in order to survive. He knew that, if he violated nature's laws, he would just as surely perish as any other animal.
>
> However, history records that, as man has become more civilized, he has neglected to realize at times that food and shelter and clothing, which are the basic needs of humans, still come out of the forests and fields, the waters, and the soil. In many instances, natural grounds of fish have been unthinkingly depleted or destroyed.
>
> It is only recently that civilized man has become aware of the value of natural resources or has realized that an abundant life depends upon the preservation and intelligent use of these resources. Within the past few years, all nations have been taking inventory of their resources and have been trying to devise methods of restricting them. This, of course, includes fish resources.
>
> The depletion of our fishery's abundance is not so dramatically portrayed as that of land animals or birds. Fish, for the most part, are unseen in their natural habitat—the oceans, bays, and rivers. We have judged their abundance by the catch. It is easy to visualize the havoc wrought on the buffalo herds or upon a seal herd under the fire or guns of many hunters, but to think that the fishes of the boundless sea might be seriously depleted by mere man seems incredible.
>
> While the production by the American fisheries has increased, I would like to emphasize that this production has been maintained at high levels only by substituting new and, in many instances, less desirable species for old, by developing new market products such as packaged and frozen fillets, and by increased mechanization of methods of capture. Every expansion of markets, every technological improvement in methods of processing fish, and every increase in the efficiency of the methods of capture has intensified the strain on fishery resources.
>
> These economic and technological advances are destructive to the very fisheries they seek to develop unless accompanied by effective controls, management and research.
>
> The combination of overfishing, pollution, and construction of barriers preventing spawning, plus natural hazards, has seriously depleted our fishery resources Many groups have studied this problem of depletion and some answers have been

found, but an enormous amount of research remains to be done to come to conclusions that are satisfactorily definite.

That there have been in the past and that there are still today many flagrant instances of unintelligent depletion and destruction of our domestic fisheries is undeniable.

Mr. J. Richards Nelson, president of the Oyster Growers and Dealers Association of North America, in testifying before the subcommittee on the great decline in oyster production, stated:

> Of course we know now that overfishing originally of natural resources was the original cause of decline.

To the same effect, Mr. Nelson added—

> that pollution of areas by trade wastes has taken away vast areas of natural beds that formerly were productive.

At this point, the chairman of the subcommittee, Senator Duff, questioned Mr. Nelson and the following colloquy took place:

> Senator DUFF. Don't you think also trade practices have a lot to do with it? For example, on the west coast of Florida, where they used to have a great abundance of clams, they got to fishing for those clams with steamshovels. You can go down and see immense areas where there used to be a lot of clams, and there are none there at all. They even destroyed the seed.
>
> Mr. NELSON. That unfortunately is done where there is a free and common fishery and without any regulations. * * *
>
> Senator DUFF. Don't you think even for the benefit of the people in the business—irrespective of the public welfare—that there should be some interstate compacts for the purpose of arriving at what are good practices in many instances in this matter, and if you don't have those interstate compacts, I am very much afraid you are going to, in certain instances, at least in my knowledge, have a process of extermination in which there will be nothing for anybody?
>
> Mr. NELSON. I think that is true, Senator. I think the Atlantic States Maritime Fisheries Commission is an important factor along those lines.

Mr. Stanley R. Tupper, commissioner, Department of Sea and Shore Fisheries of the State of Maine, in his testimony before the subcommittee, gave several examples of wasteful practices. Among these, we find:

1. The chief source of the world's haddock is on Georges Bank off the New England coast. Over 90 percent of haddock landed in Maine ports are caught by trawlers which drag a large net along the bottom of the Bank. Heretofore, these nets have not been selective but took everything in their paths not so small to escape through the mesh. This destroyed many small cod and haddock which later would have grown to marketable size. Throwing these small fish back overboard did no good because most were dead or dying when discarded. In 1 year alone it was estimated that $7 million worth of baby haddock were discarded on Georges Bank. Recently a larger mesh size has been adopted and fishing authorities believe that in 10 years' time the haddock production will be increased at least 50 percent by the larger mesh enabling the small fish to escape.

2. Shad, salmon, and alewife are the major anadromous fish and have been on the decline for years. The decline has been attributed to overfishing, pollution, and the prevention of the fish from reaching their spawning grounds due to lack of adequate fishways.

3. There has been a steady drop in abundance of soft shell clams along the coast of Maine. Biologists agree that pollution and excessive digging have contributed materially to this decline.

At one point in the hearings, the chairman of the subcommittee, Senator Duff, spoke of his experience with wasteful and illegal practices, as follows:

For one, I thoroughly believe that these biological studies are imperative and necessary, but I have personally fished from Nova Scotia to the Gulf of Mexico, and all the way along the Pacific coast, and everywhere I have fished I have found serious violations in the way of doing things that would interfere with small fish, enormous waste of small fish, netting of fish in the type of nets that killed an enormous number of what ought to be good fish in a year or so, and also, I have made it my business in several places over the last 10 years to go in places where ordinarily you would expect fish to be running about the time they were spawning in which they were caught illegally after dark in large numbers and everything of that kind.

I am firmly in favor of this bill. I don't want to be misunderstood. I think that we have too long neglected an acknowledgment of many of these fundamental facts, but I think your industry itself has a job, too, to participate actively in the way of discouraging and preventing and even outlawing practices that are very detrimental.

The Federal Government, State governments, local governing bodies, and the industry must cooperate in stamping out these wasteful practices. Many States have excellent conservation laws. Several States enforce them. However, your committee believes that an overall, well-coordinated system of conservation must be based upon scientific data. States will hesitate to circumscribe the activities of an already hard-pressed fishing industry unless the restrictions and regulations are proven to be based upon scientific findings which establish their wisdom and efficacy. If the regulations are thus based upon scientific data, the States can be expected to adopt them and industry and the public will cooperate in bringing about their observance. Enforcement is made easier when backed by an enlightened public which knows the importance of the laws.

The necessity of conducting research to determine the type and scope of conservation laws was stressed by Mr. James E. Barr, executive secretary of the Texas Shrimp Association, in his statement before the subcommittee. Mr. Barr said:

It is the present concern of the industry that there is imminent danger of the shrimp resource of Texas being depleted from overfishing. Such an eventuality would certainly jeopardize their present substantial investments. Regulatory measures toward preserving the resource seems to be the answer to this problem. Before any constructive program of conservation can be advocated, there is the need of technological and biological data of a comprehensive nature so that the premises on which such a program can be built will be authoritative.

There is no doubt in the mind of the industry that without a planned program for the shrimp industry, its present productivity will start declining. It is the judgment of not only our own industry, but of other segments of the fisheries, that the general obscurity under which we operate, relative to species data is not only a detriment to present operations, but poses a definite barrier to the promulgation of constructive as well as conservative plans for the future. S. 2802 is a vehicle by which the fishing industry can be afforded relief in this matter.

One of the best examples of what scientific research can do to develop constructive and effective conservation laws is that of the International Pacific Halibut Commission (formerly called International Fisheries Commission), whose work is discussed by its chairman, Mr. Edward W. Allen, in the following excerpt from the hearing on S. 2802 held by your committee's Subcommittee on Fisheries and Wildlife:

Senator MAGNUSON. Has the halibut run stayed pretty steady?

Mr. ALLEN. I am glad you asked that question, Senator, because that brings out a point that I don't think has been mentioned. Maybe it has been mentioned, but it has not been dwelt upon.

This International Fisheries Commission dealt only with halibut, but I believe it has conducted the most thorough, systematic, and continuous investigation of any ocean fishery that has ever been conducted, and it started right out from the beginning in depending upon scientific investigation, and the result is that it took that halibut fishery at a time when it was so depleted that it was hardly worthwhile for the fishermen to go out and fish and has built it up into what I believe is the best stabilized ocean fishery anywhere to be found.

Senator MAGNUSON. I was just going to say, Mr. Chairman, that that is probably the best example of what you can do on this sort of thing.

Senator DUFF. Yes. It might be interesting just for the general public information to make a few observations as to some of the things that happened to bring that about.

Mr. ALLEN. Well, when the Commission took charge of this investigation in 1924, almost nothing was known about the life history of the halibut, and so the first thing they set out to do was to gain the information as to how the halibut was spawned, where it was spawned, what the life history of the young was and, carrying it right through, the maturity of the fish, and their life expectancy, every phase of that life history, and it was quite a revelation.

Now, in doing that I should also like to point out that that Commission, although I do like to boast a little bit about it because I do think it has done such an outstanding job—although it has done this, it has never even owned a vessel, but when we conducted our investigations out at sea, we put our scientists right out on fishing boats. We chartered fish boats and stuck our scientists on fish boats and sent them out like the fishermen go, and they get their information with scientific accuracy, but with great discomfort, but we do get the facts.

Our whole program has been based upon the accurate collection of those facts. Having those, then we analyze the situation to see what should be done, and we found that if you would hold the catch down to a figure which was just at or somewhat under the reproduction or increase ability of this fishery, you could gradually build it up.

Senator DUFF. How did you do that?

Mr. ALLEN. By our measurements of what you call the potentialities of the fishery, how long those fish live, what the weight is from year to year.

Senator MAGNUSON. How do you effect that?

Senator DUFF. How did you enforce that regulation?

Mr. ALLEN. The way we enforce that regulation is this: We estimate the quantity, the poundage of fish—in January, for instance, of this year, we held our meeting, and we estimated the poundage of fish that we considered could be safely caught and still leave a little margin of gain. We divide the whole fishery into areas, and then we say, "You can catch so many pounds," say 25 million pounds in area 2.

Senator DUFF. How do you enforce that regulation? That is what I am getting at.

Mr. ALLEN. Then our fisheries' statisticians keep a very close watch on the catch, and in area 2, for instance, this one I am saying with 25 million pounds, more than about 12 days ahead of the time when they believe that 25 million pounds will be caught, they report that to the Commission, and the Commission issues an order saying that 12 days from now the season will be closed.

Senator DUFF. You can enforce that under penalties, can you?

Mr. ALLEN. Yes. We don't do the enforcement ourselves. The Coast Guard, the Fish and Wildlife Service, and the Customs Service actually do the enforcement, but we give the regulations. Our statisticians and biologists are so accurate that I think in the history of the Commission—I don't believe they have ever missed over 5 percent in prophesying the date at which that poundage will be caught. It is just a remarkable system of accuracy.

Senator DUFF. That makes good sense to me. Under what legal authority is that done?

Senator MAGNUSON. This is a joint Commission between Canada and the United States, and they participate, too?

Mr. ALLEN. Yes; the Commission does consist of 2 United States commissioners and 2 Canadian commissioners, 1 from the official Government agencies, for instance, the Fish and Wildlife Service of the United States.

Senator DUFF. How long has that been in operation?

Mr. ALLEN. The Commission was established in 1924, but its first year of regulation was 1932.

Senator DUFF. You have seen a gradual buildup from that time?

Mr. ALLEN. There has been a gradual buildup from that time, a steady and gradual—when I say "steady," there has been a steady trend. There have been years when there was a slight fluctuation of successive increase or successive decrease, but over the period of years there has been a steady, gradual increase of that fishery until we believe we have it very close to the maximum that the banks will stand, and now our problem is to get that maximum.

Our very success has been our handicap. The fishery has become so attractive that fishermen have come into it from other fisheries in great numbers, thereby increasing our problem of management and catching this quota in such a short time that it is very much more difficult to have the maximum for this additional reason, that in some parts of the area the best fishing is in May; some parts in June; some parts in July; some parts in August; and some parts in September, and until the treaty was amended last year, we didn't have the power to have different seasons in the same area. We could just say that this whole area has to be open in, say, spring. Then they catch the quota, and we close it. The result was that some parts of the area were not fished at the right time in order to get the maximum catch, and we are now confronted with that problem of trying to figure out how we can manage that so as to get the maximum catch from every part of the area.

Senator DUFF. What does that catch run to now?

Mr. ALLEN. A little over 60 million pounds is the annual catch. When we took hold in 1932, the catch in 1931 had been 43 million, and we have now brought it up to in excess of 60 million by a gradual process.

Senator DUFF. That is wonderful.

Mr. ALLEN. And as I say, the point particularly that I wanted to make, the two points in that connection were that it is based upon factual, scientific, information and a long, continuous program.

Your committee believes that research leading to constructive conservation laws should constitute an important part of the research authorized by the bill as reported. Under section 2 (c), the Secretary of the Interior can accomplish much in the way of coordinating research and proper enforcement of the rules, regulations, and laws of interest to our domestic fishery industry and to the public.

If the bill is enacted into law, your committee and its Subcommittee on Fisheries and Wildlife will follow the progress of the programs authorized. If the need, validity, and propriety of Federal conservation laws and regulations are shown to exist as a result of the research conducted, your committee will promptly introduce remedial legislation and report it to the Senate. However, a more urgent remedy is needed now.

VII. THE REMEDY INDICATED

In a statement made jointly for himself and his colleague, Senator Margaret Chase Smith, Senator Ferderick G. Payne told the subcommittee:

> Although we think justifiable claims can be made to increase the disproportionate current tariff rates on imported fish products and thus create a fairer competitive position for the domestic industry—such action would, in our opinion, be only a short-range solution and would not get at the basic ills of the indusrty.
>
> The underlying basis of this legislation, upon which so much hope is pinned, is what we like to term "research." Research in this sense includes all those activities which will make the fisherman and fish processor better able to understand the whims of nature and of the purchaser—and so be able to cope with these problems more effectively.

Research is the remedy indicated for the ills of our domestic fishery products industry. In the Extension Service programs and land-grant college projects, for example, Congress recognized the value of extensive research as a necessary and integral part of Federal assistance to products of the soil These programs have long since proven their value to American agriculture, and the expenditures which made them possible have been recovered many times in increased revenues.

The United States is a highly mechanized and progressive nation in which the achievements of science have played a vital role in her position of world leadership. Agriculture and the many industries which combine to make up the material wealth of this country have benefited from scientific and technological advances, often directly or indirectly financed by the Federal Government, but only in recent years has the fisherman sought the knowledge of the marine biologist and the oceanographer. As a result fisheries research is a comparatively new and unexplored field. A limited amount of research for the benefit of our fisheries has already been conducted and has proven successful.

A. SUCCESSFUL RESEARCH ALREADY CONDUCTED

The New England fishing banks have been extensively harvested for some 300 years and the virgin abundance, as a direct result, has been reduced, More than 20 years devoted to the study of the haddock on Georges Bank by fishery biologists of the United States Fish and Wildlife service with limited funds has provided the necessary basic information which allows the accurate (within 10 percent) forecasting of haddock catch in this area for one year to the next, provided that the fishing effort remains constant.

As a result of intensive research on this particular species an international regulation was adopted this year which now requires larger mesh openings for the trawl nets so that 15 million baby haddock, formerly destroyed each year, might escape destruction. Haddock grow very rapidly on Georges Bank so that by being spared for only 1 additional year of growth these 15 million unmarketable baby fish could provide an additional 10,000-ton harvest of marketable haddock.

Under the heading "Enforced Conservation a 'Must'," above, the outstanding successful research of the International Pacific Halibut Commission has already been pointed out.

For many years, despite the handicap of extremely limited funds, the Department of the Interior has carried out research programs and activities for the benefit of the commercial fisheries, as well as the consumer, which activities could not have been assumed by the industry itself. This is particularly true in the fields of biological and technological studies and marketing.

The Fish and Wildlife Service carries on biological research about commercial fishery species throughout the country. In the North Atlantic area, it has a laboratory at Woods Hole, Mass. Last year, as a result of long study, it recommended through the International Commission for the Northwest Atlantic Fisheries a regulation on size of meshes in the nets used by fishermen.

In addition to the conservation effects of this measure, the New England haddock fishery is making more money at the rate of $1 million annually than would have been possible without the regulation.

Along the whole Atlantic coast during the past 4 years, the Fish and Wildlife Service has been studying the shad fisheries in collaboration with all of the Atlantic States. Its plan of research in this area has been to concentrate in particular localities beginning at the Connecticut River and working south. It has found all along the way that the decline in shad fisheries is a consequence of overfishing and it has applied the results of its studies in recommendations, through

the Atlantic States Marine Fisheries Commission, of regulations for restoration of this valuable resource.

In the Gulf of Mexico, it has measured productivity of the offshore waters. As a result of its studies, it is clear that the principal fishery wealth of the Gulf of Mexico lies in the stocks of shrimp and menhaden and that the key to the productivity of these stocks lies in the fertility of the complex system of sloughs and bayous of the gulf. It is now concentrating its present studies in those areas.

The Fish and Wildlife Service has a small laboratory in Florida where it is studying the mechanisms relating to the sporadic outbursts of the microbe which causes red tides. This work started following a red tide outbreak in 1947. Here is an example of research beginning after a disaster occurred. Here, by experimental methods, it is determining the chemical elements involved in red tide outbreaks; and by continuous patrol of the affected areas, it will be able to observe a red tide early enough to attempt corrective measures.

The Great Lakes is another example of research that was impelled by a disaster. Here, the Fish and Wildlife Service has concentrated its attention in recent years to the problem of controlling the sea lamprey, a parasitic fishlike animal which invaded the lakes from the sea and has by now almost completely destroyed the formerly valuable lake trout resource worth millions of dollars and supplying a living to hundreds of fishermen. This is also an example of a successful piece of fishery research because the Fish and Wildlife Service has determined exactly how to rid the lakes of this pest. The program depends upon installing an electrical barrier across every stream which lampreys must ascend to spawn. This will cost about one-half million dollars.

These are but a few of the successful experiments of the Fish and Wildlife Service. Its other activities are more directly concerned with utilization of fishery products. It has carried on a successful program for a number of years for the introduction of fish and shellfish into the national school lunch program. Its technological research is carried on at four laboratories. In Ketchikan, Alaska, the joint Territorial-Federal laboratory devotes itself primarily to work on problems which will fully utilize Alaska's fishery products and byproducts and, if possible, extend off-season fishing and processing operations.

The Seattle laboratory conducts basic research on the cold storage life and composition of fish; the chemical and physical properties of fish proteins; the vitamin content and nutritive value of byproducts; and an investigation of new uses for fish oils.

The College Park, Md., laboratory is conducting fundamental research on the vitamin content and nutritive values of fishery products; preparing a reference manual on the freezing of fish; and attempting to extend the market for a semiliquid fishery animal feed by developing a dry product.

The Boston laboratory operates a commercial fishing trawler in conducting tests of freezing fish in the round at sea for later thawing, filleting, and refreezing on shore. Results of the tests will show if the vessel operators can secure full loads of top-quality fish, save the byproducts, and eliminate the processing and labor problems on shore caused by irregular landings.

However, the $175,000 now provided for these various programs is a pitifully small amount. It often takes years to obtain a solution to a critical problem that could be obtained within months with adequate funds. The amount of research now being conducted is but a series of frantic attempts to stem the tide of disaster as new epidemics, like the red tide, break out or as fishermen in one area after another are left holding empty fish nets. This is not the continuing, well-balanced, prophylactic type of research which our domestic fisheries so urgently need.

B. THE TYPES OF RESEARCH NEEDED

The management of the fish harvest for several decades past has fallen below the standards of productivity that have long been established for agriculture and forestry. It is unfortunate that there has been a failure to provide adequate expenditures for fisheries research and management. That such expenditures are self-liquidating seems to have been overlooked. Looking at this problem from its broader aspects, if we are to face the maintenance of our high level of national defense and huge governmental services, it becomes of greater necessity that every State and National resource should produce its maximum crop.

A well-balanced research program at this time would look into all the various problems which beset our domestic fishery products industry.

In order to slow down the depletion of the haddock, studies should be conducted into the possibility of a minimum market size, better processing, packaging, and marketing of fillets, and experimental dragging in waters adjacent to our eastern shores in search of new grounds.

Some research should be done relative to the feasibility of closing certain nursery grounds and protection of ocean perch or redfish during the spawning season.

There is an abundance of mussels, a shellfish, along the Maine coast, but production is almost nil due to the lack of demand. While mussels are considered a delicacy in England and France, so far the consumer in this country has not shown any great interest in them. They are rich in proteins and vitamins. Research should be done to help the processor make this shellfish more appetizing. Much research work could be done along food technology lines if funds were available.

Studies that would lead to the accurate forecasting of catches of valuable commercial species would go a long way toward solving the fisherman's ever-perplexing problem of sustained yield, or the most profitable rate of fishing. We have pointed out that it took 20 years of research with inadequate funds to determine the sustained yield for haddock alone.

Certain pelagic fishes such as the tuna, the mackerel, and the menhaden are sporadic in their abundance and uncertain as to their seasonal migrations, and any assistance rendered the fisherman in the form of definite directions as to where and when to fish would be invaluable. This prediction service has been highly developed in the Norwegian and Danish waters where the fishermen are directed

to the best fishing grounds, day by day, on the basis of oceanographic knowledge.

The more completely the life history and environmental requirements of a particular fish are understood, the more accurate will be the biologist's statements regarding the effects of a variety of fishing methods; also, how quickly the particular species will recover from the effects of intensive harvesting. Here are but a few of the basic questions concerning any species for which answers must be provided to determine the most profitable rate of fishing: How long does it live? What is its growth rate? How old does it have to be before it begins to spawn? Is it more or less sedentary or does it range over a wide area? What are its food requirements? What is its natural mortality?

The lack of information concerning such important commercial species as the ocean perch, the cod, the flounders, the whiting, the herring, the swordfish, and the inshore forms, including the lobster and the shellfish, is astonishing but understandable when one considers the limited research that has been possible over the years.

Not only is it desirable, indeed necessary, to learn more about the various fish, shellfish, and crustacea which form the backbone of the fishing industry as it exists today, but also the discovery and utilization of new species is becoming ever more urgent as certain old standbys appear to be showing the effects of intensive exploitation. In this connection deep-sea explorations may bring to light entire populations which could well be utilized.

A recent voyage to the edge of the Continental Shelf off New England shores disclosed the existence of large ocean perch, lobsters, and a species of giant crabs which could provide a profitable fishery.

To be able to determine the most profitable rate of harvesting for the known species of fish and shellfish and to discover new species falls to the fishery scientist, who requires funds and equipment with which to conduct his work.

The oceanographer and the fishery specialist together must strive to provide a solid foundation of information upon which the industry can build to compete with world markets and provide a potential supply of seafoods with a high protein content for an increasing population.

Constructive marine research must be increased and encouraged It cannot be successful if it is switched on and off like a light.

Not only must a prompt solution be found presently to the declines in the supply of fishery products, such as mackerel, salmon, sardine, herring, and oysters, as outlined in section V–A, above, but attention must be devoted to the destruction of known marine pests, such as the oyster drill. This is a small snail which destroys over a million dollars worth of oysters each year. This snail can wipe out the entire population of an oyster reef in a single summer when conditions are favorable for it. No economical way of controlling the oyster drill is known to the oyster industry.

Among the needed types of research that should as a bare minimum be included in an integrated, comprehensive program of fishery research, according to industry and government experts, we find:

1. Biological-oceanographic research which is necessary for a sound conservation program leading to an optimum annual crop from the sea.

2. A statistical program necessary for maintenance of authentic records of landings and prices for use of industry and as an aid to the biologist. Market news service is essential in keeping industry informed as to current market conditions.

3. Exploratory fishing and gear development to discover new fishing grounds and to improve methods of detecting and capturing fish.

4. Technological studies to develop better methods of preserving, processing, distributing, and marketing fish and fishery products. Development of new uses for various species of fish and fish waste is an essential part of this program.

5. Education and market development. This would be a program designed to promote and stimulate wider use of fish.

Mr. Charles Jackson, general manager of the National Fisheries Institute, demonstrated very convincingly to the subcommittee the importance and practical value of such an educational and market development program.

All of these types of research should have been conducted down through the years. If those studies had been made, it is almost a certainty that our domestic fisheries would be thriving today. For instance, we have pointed out earlier that the redfish fishermen of Gloucester, Mass., now go 1,200 miles in their boats to catch redfish or ocean perch. They used to catch the fish within 30 and 40 miles of port. There is some evidence that there is a supply of ocean perch within 200 miles of the coast. The question might be asked, Why don't the fishermen go to that nearer point? The fact is that the existence of these fishermen is so precarious at the present time that they cannot afford to take the time to engage in exploratory fishing. They cannot risk the chance of a decreased catch. Research under this bill should determine whether this type of fish can be more economically harvested.

The fishing industry is one composed of individuals and small companies lacking the resources necessary to carry on these activities on a long-range basis. The fishing industry markets its products without governmental assistance in the form of price-support programs or other Federal aid. It is significant that this industry has survived without the elaborate economic and technical assistance that has been extended to other basic producers of food. Fishery products are not among the surplus food commodities which are today such a serious problem to agriculture, industry, and government.

The intensity of competition in the market place resulting from the fast tempo of modern research makes it imperative that every industry be served by a broad technological program. Our domestic fishing industry is scattered along 6,000 miles of coastline and consequently its problems are so diverse that the industry cannot be expected to operate and finance the economic, biological, and laboratory projects that are needed.

With Federal taxation draining our citizens financially dry, the States are not in a position to finance extensive research. However, several of them are conducting important types of research although on a more localized basis. Almost all of the research work that is being done at present for the Atlantic States Marine Fisheries Com-

mission by the Fish and Wildlife Service is on a Federal-State project basis. Under this bill, the Secretary of the Interior will cooperate with the States, which are conducting studies relative to their individual problems such as pollution, methods of catching, industry problems, conservation measures, and other difficulties peculiar to their particular area. This can be accomplished, for example, in educational institutions which have schools of fishery, as in the manner that State agricultural colleges, subsidized in part by the Federal Government, do research work and give instruction on various crops but concentrate on and emphasize the crops of their particular area. In research programs of assistance to the citizens of several States, this type of cooperation and assistance is helpful, proper, and economical. One thing is certain, neither the impoverished industry nor the tax-starved States can alone finance the extensive research that must be conducted if our national fisheries are to be preserved and developed.

VIII. Thirty Percent of the Fisheries' Duties Is the Fisherman's Due

Although agriculture far outranks the fisheries of the United States in volume of production, the individual fisherman produces more food than does the individual farmer. Each year the individual fisherman produces 47,000 pounds of fishery products while the individual farmer is understood to be producing but 34,500 pounds of farm products. The Fishery Resources of the United States, published by the Department of the Interior, reveals that for each ton of food produced by the fisherman there was a Federal expenditure of only 82 cents whereas $7.04 was spent by the Government for an equivalent amount of farm produce.

The pending bill provides, not for an added appropriation, but for a transfer of funds. The fisherman is not seeking price supports nor any subsidy. He is only asking that 30 percent of the revenue from imported fishery products be allotted, not to the Department of Agriculture as at present, but instead that the 30 percent be channeled into the Department of the Interior, which means, in practice, into the Fish and Wildlife Service. We have pointed out under section VII–A, above, how the Fish and Wildlife Service is skilled in the various forms of fisheries research, although its funds have always been extremely limited. The funds fairly and properly belong in that Service, where the revenue from fishery products will be used exclusively for exploring ways and means of harvesting and marketing more and better fishery products for the nutritional benefit of the consuming public.

The fisherman does not propose taking away from the farmer funds which are rightly his. Instead the fisherman requests that 30 percent of the revenue derived from fishery imports (an estimated current sum of $3 million) be placed in the hands of the Federal agency designated to handle fishery matters, but not into the hands of the agency designated to handle agricultural matters as is the present practice. Your committee believes that this is fair and just. In fact, under the bill as reported, the Department of Agriculture will have the balance over the annual reserve fund of $5 million returned to it by the Secretary of the Interior under the sixth committee

amendment discussed above, so there is even a possibility under this legislation that agriculture will benefit still from duties on fishery products. Certainly, this bill cannot be looked upon as antiagriculture.

As explained under General Legislative Background, in section III, above, section 32 of the act of August 24, 1935, appropriates and makes available to the Secretary of Agriculture for each fiscal year an amount equal to 30 percent of the gross receipts from duties collected under the customs laws during the preceeding calendar year. The present bill would direct the Secretary of Agriculture to transfer to the Secretary of the Interior an amount equal to 30 percent of the gross receipts collected under the custom laws on fishery products The Fish and Wildlife Service will use these funds to finance the research and other programs discussed in this report for the benefit of the fishing industry and the consumer without any sacrifice of funds received from customs duties on agricultural goods and destined for agricultural research. Agricultural research will not sacrifice any funds at all, because the funds available for the Department of Agriculture under section 32 during recent fiscal years have been in the following total amounts:

1950	$125, 600, 000
1951	111, 000, 000
1952	159, 000, 000
1953	181, 000, 000
1954	172, 000, 000
1955 (estimated)	180, 000, 000

The Agricultural Act of 1949, as explained in section III above, provides for an accumulation of section 32 funds by the Department of Agriculture up to a total of $300 million. Any excess over this amount must be turned back by the Department of the Treasury. In fiscal 1954, $27 million has been turned back—a sum, in other words, 7 or 8 times the total which would be made available to the Department of the Interior under the proposed bill to meet the research and development needs of the fishing industry. Agriculture loses nothing under this bill. Our national fisheries stand to gain much in the way of improved technique and increased catches. In recent years, only the paltry sums of $75,000 (to conduct a fishery educational service) and of $100,000 (to develop and increase markets for fishery products of domestic origin) have been received by the Secretary of the Interior under existing law. No section 32 funds have been available for technological and biological research. The present bill would make for the current fiscal year approximately $3 million available for the various purposes outlined in this report. Based upon annual customs collections since 1939, this sum would have ranged between $612,000 and $3,164,000.

IX. Agency Comments

The General Accounting Office, the Department of Justice, the Department of the Treasury, and the Department of State have expressed no opposition to S. 2802.

The Department of State expressed concern over the possibility that section 2 (a) (2) might authorize the use of funds to encourage exports of fish and fishery products by the payment of export subsidies. There is no authority granted in the bill that could properly be inter-

preted as granting authority to subsidize exports. The Department of State feared that such export subsidies, if permitted, would lead to retaliatory actions by other countries. Actually, several countries now subsidize fishery products which are in increasingly serious competition with those of our domestic industry, according to the testimony of Mr. Arnie J. Suomela, Assistant Director, Fish and Wildlife Service of the United States Department of the Interior.

The Department of State also invited your committee's attention to—

> the question whether the funds to carry on the contemplated programs should be appropriated annually by the Congress.

Your committee has considered this question and feels, as does the Department of the Interior, that—

> since this phase is wholly amendatory of the existing act, it is of course no departure from the methods set forth in the original act with respect to the availability of funds.

Furthermore, even the Department of the Treasury has expressed no concern over these budgetary aspects of the bill.

Senator Leverett Saltonstall, who introduced this bill for himself and 27 other Senators, had this to say on the subject:

> In recent years the average annual catch of the domestic fishing industry has varied from 4 to 5 billion pounds of fish and shellfish worth to the fishermen $350 million, more or less. Directly and indirectly, the industry employs 550,000 people. Throughout the United States, however, the industry is in an increasingly difficult position. Decreased catches, fluctuations in supply, and a lack of improved techniques have all harmed this basic American industry. Rising imports have subjected it to particularly severe pressure.
>
> As a means of overcoming these difficulties, the basic recommendation of all recent studies, including those authorized by Congress, is an increase in research and development activities. The fishing industry, however, is one composed of individuals and small companies lacking the resources necessary to carry on these activities on a long-range basis. The Fish and Wildlife Service of the Department of the Interior is already engaged, on a scale severely limited by inadequate funds, in conducting commercial fisheries research. Recent studies have therefore also recommended the expansion of Fish and Wildlife Service activities to include additional badly needed research and development projects. But an expanded, long-range program requires an assured source of additional funds supplementing current appropriations.
>
> Because the industry's difficulties so largely stem from competition by imports, an appropriate source of supplementary funds for research and development is the revenue derived from those same imports. The earmarking of a portion of this revenue would go far toward meeting the fishing industry's most urgent research and development needs.

Your committee believes that Senator Saltonstall's statement establishes the justification for the budgetary aspects of this bill. He has performed a great public service by highlighting the ills of the fishery industry and has furnished the legislative vehicle whereby the Government may, at long last, bring to the farmers of the sea some of the benefits which it has showered on farmers of the soil in the past. Your committee anticipates as rewarding yields from the programs embodied in the bill as our Nation has received from similar assistance to agriculture.

In supporting strongly the objective of the program contained in S. 2802, Mr. Orme Lewis, Assistant Secretary of the Department of the Interior, wrote to the chairman of your committee on April 1, 1954:

> Unquestionably there is an acute need for greatly expanded research with respect to certain basic problems which the fishing industry cannot effectively finance or coordinate. This is particularly true with respect to technological

and biological studies. The Department of the Interior, through the Fish and Wildlife Service, presently is attempting to solve some of these problems. As the agency primarily responsible for the welfare of the domestic fisheries, it collects and publishes basic statistics, conducts a daily market news service; makes economic studies; administers the Fishery Cooperative Marketing Act; develops methods of handling, utilizing, and preserving fishery products; conducts research on all technological fishery matters; conducts an educational service; develops foreign and domestic markets, explores for new fishing grounds; develops and tests fishing gear; conducts biological research on all our fisheries; and manages the fisheries of Alaska. Many of these activities have been limited, however, by a lack of available funds. If the fishing industry of this country is to continue to compete on an equal basis with the fishing industries of other countries, many of which are directly subsidized, it is essential that a substantial increase in funds for these purposes be made available.

Even the Department of Agriculture concedes the need for this research. In a report accompanying its letter of April 2, 1954, addressed to the chairman of your committee, the Department states:

Section 2 (a) of the bill before the committee does, however, raise a separate question from the purchase and distribution matters discussed above. This section provides that the section 32 funds which are to be transferred to the Secretary of the Interior shall be used for conducting a fishery educational service and fishery technological, biological, and related research programs in such a way as to assist in increasing markets for fishery products of domestic origin. The Department of Agriculture is not opposed to such activities as these.

However, the Department of Agriculture suggests that a direct appropriation might be a better legislative vehicle to provide the funds to the Department of the Interior for this purpose. Your committee has already indicated in this report the reasons why the method used in this bill is considered more appropriate.

Most of the comments of the Department of Agriculture in opposition to this bill pertain to the use of funds for the consumption of surplus products through various programs of the Department. As there has not been in the past a notable surplus of fish and fishery products and no surplus is anticipated within the foreseeable future, your committee is convinced that the earmarked funds derived from customs on fish and fishery products should be devoted to the programs contained in this bill under the direction of the Secretary of the Interior and the Fish and Wildlife Service, which has the expert knowledge and experience to conduct the programs.

The Department of Agriculture did raise an important question as to whether the retransfer of funds, provided for purchase and distribution activities in the bill as introduced, is in addition to or in lieu of the funds otherwise available for fishery products under section 1 of the original act. Your committee, as explained under the heading "Fourth Committee Amendment," above, has resolved this doubt and has provided that the funds in question would be in lieu of the funds otherwise available for fishery products under section 1 of the original act. The net effect of this bill is to make it possible for agriculture under certain circumstances to benefit under section 32 from customs proceeds derived from fish and fishery products, but never vice versa. Not one penny of funds derived from customs duties on products other than fish and fishery products will be available for our fishing industry under section 32 of the original act. Our domestic fishing industry is not asking for favors, it is simply demanding its due.

X. Conclusion

Your committee believes that the pending bill is a long overdue effort to place our fish and fishery products industry on a modern business basis. Its techniques are reminiscent of the horse-and-buggy days of doing business. That is not the fault of the industry. It is composed mainly of individuals and small companies. It cannot afford the necessary research which this bill will make possible. The States cannot place a greater financial burden upon their overtaxed people in order to assist their fishermen. The bill as reported will furnish the means through research and other programs to revitalize our domestic fishing industry and place it in a better competitive position with foreign fishermen.

The bill, if enacted, would accomplish this without appropriating one single penny of additional funds. This measure should not interfere with other legitimate requests for appropriations in connection with fishery matters when the need for them is shown to exist. However, it is the hope of your committee that this bill should place our domestic fishing industry eventually in a position where it will have no need for special consideration. Your committee favors this measure and recommends that the bill as reported do pass.

Department of the Interior,
Office of the Secretary,
Washington 25, D. C., April 1, 1954.

Hon. John W. Bricker,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate, Washington 25, D. C.

My Dear Senator Bricker: Reference is made to your request for a report on S. 2802, a bill to further encourage the distribution of fishery products, and for other purposes.

I strongly favor the objective of the program to be augmented by the proposed legislation.

Section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended, appropriated and set apart annually in a special fund an amount equal to 30 percent of the annual gross receipts from the duties collected under the customs laws. This special fund was to be expended by the Secretary of Agriculture to encourage exportation and domestic consumption of agricultural products. Section 2 of the act of August 11, 1939 (53 Stat. 1411; 15 U. S. C. 713c-2), which would be amended by the proposed legislation authorized the Secretary of Agriculture to transfer to the Secretary of the Interior from the special fund established by the 1935 act $75,000 for use in promoting "the free flow of domestically produced products in commerce by conducting a fishery educational service," and $100,000 to be used by the Secretary of the Interior "to develop and increase markets for fishery products of domestic origin." The proposed legislation insofar as it pertains to the availability and use of funds is simply an increase in these amounts to an amount equal to 30 percent of the gross receipts from duties collected under the customs laws from the importation of various fishery products. Since this phase is wholly amendatory of the existing act it is of course no departure from the methods set forth in the original act with respect to the availability of funds and hence we do not feel that it is necessary that we comment on budgetary aspects.

Unquestionably there is an acute need for greatly expanded research with respect to certain basic problems which the fishing industry itself cannot effectively finance or coordinate. This is particularly true with respect to technological and biological studies. The Department of the Interior, through the Fish and Wildlife Service, presently is attempting to solve some of these problems. As the agency primarily responsible for the welfare of the domestic fisheries, it collects and publishes basic statistics; conducts a daily market news service; makes economic studies; administers the Fishery Cooperative Marketing Act; develops

methods of handling, utilizing, and preserving fishery products; conducts research on all technological fishery matters; conducts an educational service; develops foreign and domestic markets; explores for new fishing grounds; develops and tests fishing gear; conducts biological research on all our fisheries; and manages the fisheries of Alaska. Many of these activities have been limited, however, by a lack of available funds. If the fishing industry of this country is to continue to compete on an equal basis with the fishing industries of other countries, many of which are directly subsidized, it is essential that a substantial increase in funds for these purposes be made available.

As we have stated, the 1935 act established a special fund equal to 30 percent of the gross receipts collected from customs duties. The act made this fund and the annual accruals thereto available until expended with the proviso that the balance of the fund might not exceed $300 million at the end of any fiscal year. We suggest that the proposed amendment be further amended to the end that the fund proposed to be created be likewise limited and that such limitation be fixed at $5 million. This would permit accruals to the fund to offset or at least minimize fluctuations in the amounts derived from import duties on fishery products. The continuing availability of such a fund would make it possible for the secretary of the Interior to plan research and development activities for the fishing industry on a long-term basis. In this connection, it also is suggested that the funds provided by this bill be made available directly to the Secretary of the Interior and not by way of a transfer from the Secretary of Agriculture.

In these circumstances, it is suggested that if the recommendations contained in this report are adopted, the activities contemplated by the bill be inaugurated in the fiscal year beginning July 1, 1954, by the supplementation in the amount of $1,800,000 of appropriations otherwise available, leaving a balance which could be paid into the reserve fund, the establishment of which is suggested.

Since this is a revised version of a report originally submitted to the Bureau of the Budget and in view of the urgency of making a report to your committee, it has not been possible to obtain the views of the Bureau of the Budget on this revised report.

Sincerely yours,

ORME LEWIS,
Assistant Secretary of the Interior.

TREASURY DEPARTMENT,
Washington, D. C., April 1, 1954.

Hon. JOHN W. BRICKER,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate, Washington 25, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of January 25, 1954, requesting a statement of the views of this Department on S. 2802, a bill to further encourage the distribution of fishery products, and for other pruposes.

The bill would amend section 2 of the act of August 11, 1939 (53 Stat. 1411), to provide that the Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, from moneys made available to carry out the provisions of section 32 of the act of August 24, 1935, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products, which shall be maintained in a special fund and used by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological, and related research programs and to develop and increase markets for fishery products of domestic origin.

The Department would have difficulty in determining the gross receipts from duties collected under the customs laws on "fishery products" because the quoted term is indefinite in scope. We would be glad to assist your committee or the proponents of the bill in drafting an appropriate designation of the products intended to be covered by the term upon receipt of advice relative thereto. No other phase of the bill is of primary concern to the Department.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

H. CHAPMAN ROSE,
Acting Secretary of the Treasury.

STATE DEPARTMENT,
March 26, 1954.

Hon. JOHN W. BRICKER,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate, Washington 25, D. C.

MY DEAR SENATOR BRICKER: Further reference is made to your letter of January 25, 1954, requesting the comments of the Department of State regarding S. 2802, a bill to further encourage the distribution of fishery products, and for other purposes.

This proposed legislation would amend the act of August 11, 1939 (53 Stat. 1411), by making it mandatory for the Secretary of Agriculture to transfer to the Secretary of the Interior the funds derived from customs revenues on fishery products made available to the Secretary of Agriculture under the act of August 24, 1935 (49 Stat. 774). Section 2 of the bill provides these funds may be used (1) to conduct educational and research programs, and (2) to develop and increase markets.

The Department is concerned over the possibility that section 2 (a) (2) might authorize the use of funds to encourage exports of fish and fishery products by the payment of export subsidies. The institution of any such system of export payments would appear highly questionable as they tend to create uneconomic trade patterns and increase governmental intervention in the conduct of foreign trade. As past experience indicates, they lead to retaliatory actions by other countries prejudicial to the overall economic interests of the United States and create friction and ill-will in our relations with other countries. Affected countries have protested vigorously in the past that export payment systems disrupt their normal trade in their markets and seriously impair their foreign exchange earnings.

The Department has no other comment to make regarding the proposed legislation from the standpoint of international relations. However, there is the question whether the funds to carry on the contemplated programs should be taken from customs revenue or whether they should be appropriated annually by the Congress. The Department believes full consideration should be given to the views of the Bureau of the Budget regarding this matter.

Sincerely yours,

THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

DEPARTMENT OF AGRICULTURE,
Washington 25, D. C., February 26, 1954.

Hon. JOHN W. BRICKER,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate.

DEAR SENATOR BRICKER: This is in reply to your request of January 25, 1954, for a report on S. 2802, a bill to further encourage the distribution of fishery products, and for other purposes.

The bill would amend the act of August 11, 1939 (Public No. 393, 76th Cong.). Section 1 of that act authorizes the Department of Agriculture to use each year from section 32 funds an amount not in excess of $1,500,000 for the purchase and distribution, through public and private relief channels, of surplus fish and fish products. Section 2 of that act authorizes this Department to transfer annually to the Department of the Interior $175,000 of such sum for the development of domestic markets and for conducting a fishery educational service with respect to fish and fish products.

The bill would amend section 2 of the act. It would require that each year the Secretary of Agriculture transfer to the Secretary of the Interior an amount of section 32 funds equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products. These moneys would be maintained in a separate fund by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery research programs, and to develop and increase markets for fishery products. The Secretary of the Interior would be further authorized to retransfer funds available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of the act; i. e., the purchase and distribution of surplus fishery products.

On the basis of the duties collected on fishery products during 1953, the bill would require the annual transfer of approximately $3 million of section 32 funds for the above purposes.

The Department does not believe that a mandatory assignment of section 32 funds should be made each year for use in connection with fishery products, without any determination as to the need of such products for marketing assistance. Surpluses vary from year to year among the different commodities for which section 32 funds may be used. It is desirable, therefore, to retain maximum flexibility in the administration of such funds for procurement and distribution of commodities according to the relative importance of the surpluses.

With respect to the increase in funds for educational, developmental, and research programs on fishery products, the Department of Agriculture—through the Agricultural Research Service—conducts research in nutrition and in the utilization of agricultural products, including fish, as food and also maintains educational service to homes and institutions regarding all food products. The Department, through its "plentiful foods" program, works with the food trade to promote the distribution and consumption of those foods, including fish, which are in surplus supply. It would not seem advisable to expand such services in another department not primarily concerned with the marketing and utilization of food products.

In view of the above, this Department recommends against passage of the bill.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

True D. Morse, *Under Secretary.*

Department of Agriculture,
Washington 25, D. C., April 2, 1954.

Mr. Bertram O. Wissman,
Chief Clerk, Committee on Interstate and Foreign Commerce,
United States Senate.

Dear Mr. Wissman: Pursuant to your request during our telephone conversation of April 1, I am enclosing six copies of the statement from this Department on S. 2802, a bill to further encourage the distribution of fishery products, and for other purposes. This statement is being furnished in connection with the hearings on the bill.

Sincerely yours,

Ralph S. Roberts,
Administrative Assistant Secretary.

Statement of the United States Department of Agriculture

This statement is in response to a request from the chairman for the views of the United States Department of Agriculture relative to S. 2802, a bill to further encourage the distribution of fishery products, and for other purposes.

This bill would amend the act of August 11, 1939 (Public Law 393, 76th Cong.). Under section 32 of the Agricultural Adjustment Act an amount equal to 30 percent of gross customs receipts, together with certain carryover balances, is made available annually to the Department of Agriculture for the removal from the market of agricultural surpluses including fishery products, and for the general purpose of expanding markets for agricultural commodities. Section 1 of Public Law 393 authorizes the Department of Agriculture to use each year from section 32 funds an amount not in excess of $1,500,000 for the purchase and distribution, through public and private relief channels, of surplus fishery products. Section 2 authorizes the Secretary of Agriculture to transfer annually to the Department of the Interior $175,000 of section 32 funds, of which $75,000 shall be used to conduct a fishery educational service and $100,000 to develop markets for fishery products of domestic origin.

The bill before the committee would amend section 2 of the act of 1939 referred to above. It would require that each year the Secretary of Agriculture transfer to the Secretary of the Interior an amount of section 32 funds equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products. These moneys would be used by the Secretary of the Interior for conducting fishery educational and research programs, as a means of developing and increasing markets for fishery products. The Secretary of the Interior would be further authorized to retransfer funds available under this amendment to the Secretary of Agriculture to be used for the purchase and distribution of surplus fishery products under section 1 of the original act.

The amount of section 32 funds required to be transferred from the Department of Agriculture to the Department of the Interior would be equal to 30 percent of the customs receipts collected on fishery products. Based upon annual customs collections since 1939, this sum would have ranged between $612,000 and $3,164,000. For the current fiscal year, this 30-percent provision would have resulted in the transfer of approximately $3 million.

The Department of Agriculture cannot approve this bill, inasmuch as we are strongly opposed to the mandatory assignment of section 32 funds for use in connection with any particular commodity or product, including fishery products. The main purpose of section 32 programs is to increase the consumption of surplus products through direct purchase for distribution outside normal channels of trade, through encouragement of exports, through diversion to byproducts or other new or additional uses, and various other means (for example, encouraging the increased normal use of plentiful foods during certain seasons). The Congress has further indicated that section 32 funds shall be used principally for perishable products rather than for those major farm commodities which are subject to mandatory price support.

In effect the Congress has provided for a very flexible program, vesting considerable administrative discretion in the Secretary of Agriculture, and we believe that this should be continued. In our opinion the distribution of surplus foods should be carried forward through an orderly machinery, administered by one department of the Federal Government both in the interest of efficiency, and of preventing duplication as among various distributive agencies and confusion at the local level.

In this connection we are not altogether clear whether the retransfer of funds provided for purchase and distribution activities is in addition to or in lieu of the funds otherwise available for fishery products under section 1 of the original act.

Section 2 (a) of the bill before the committee does, however, raise a separate question from the purchase and distribution matters discussed above. This section provides that the section 32 funds which are to be transferred to the Secretary of the Interior shall be used for conducting a fishery educational service and fishery technological, biological, and related research programs in such a way as to assist in increasing markets for fishery products of domestic origin. The Department of Agriculture is not opposed to such activities as these. As already indicated, current statutes do provide for the transfer of $175,000 of section 32 funds each year to the Secretary of the Interior for education and market development.

But if this work needs to be increased, we do raise the question as to the most appropriate method of providing the necessary authority and funds. Customs receipts, especially from particular products, vary from year to year whereas research and education are as a rule the kind of activities which need to be built up gradually, after which they should be maintained for a considerable period of time at a fairly stable level. As a result, we feel the committee should consider whether it would not be more desirable to provide for such activities through the regular appropriation structure, which is the manner in which most research and related educational activities are now financed.

We realize the point has been made that some section 32 funds have been returned to the General Treasury. But we do call the committee's attention to the fact that section 32 expenditures for the current fiscal year as well as prospective section 32 expenditures for the coming fiscal years are in excess of the new funds available so that the section 32 carryover is now being reduced.

In conclusion, the United States Department of Agriculture believes that legislation in accordance with the section 32 fishery bill now before the committee would constitute a substantial step toward fragmentation of the section 32 appropriation and must as a result recommend against enactment of such legislation.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington 25, D. C., February 3, 1954.

Hon. JOHN W. BRICKER,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of January 25, 1954, enclosing, together with another bill, a copy of S. 2802, 83d Congress, and inviting any comments I may care to offer concerning the proposed legislation. This

measure is entitled "A bill to further encourage the distribution of fishery products, and for other purposes," and would amend section 2 of the act of August 11, 1939 (53 Stat. 1411).

The bill is similar in purpose to S. 1731, 83d Congress, and H. R. 4303, 83d Congress, which latter bill is presently before the House Committee on Merchant Marine and Fisheries.

Other than the remarks appearing in the Congressional Record of January 22, 1954, at pages 597–598, this Office has no additional information concerning the matter. In view thereof, and since the provisions of the bill would not affect the functions of the General Accounting Office, I have no comments to offer concerning the enactment of S. 2802.

As requested, this letter is forwarded in triplicate.

Sincerely yours,

———— ————,
Comptroller General of the United States.

DEPARTMENT OF JUSTICE,
February 8, 1954.

Hon. JOHN W. BRICKER,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate, Washington, D. C.

DEAR SENATOR: This is in response to your request for the comments of this Department concerning the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes.

Since the subject matter of this bill is not related to any of the activities of the Department of Justice, we would prefer not to offer any comment concerning it.

Sincerely,

WILLIAM P. ROGERS,
Deputy Attorney General.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTION 2 OF THE ACT OF AUGUST 11, 1939 (53 STAT. 1411; 15 U. S. C. 713 c–2)

SEC. 2. (a) [From the fund authorized to be transferred by section 1 hereof, the Secretary of Agriculture is authorized to transfer to the Secretary of the Interior sums as follows to be maintained in a separate fund $75,000, which shall be used by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service; and $100,000, which shall be used by the Secretary of the Interior to develop and increase markets for fishery products of domestic origin.] *The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, from moneys made available to carry out the provisions of section 32 of such Act of Aguust 24, 1935, an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund and used by the Secretary of the Interior (1) to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological and related research programs, the moneys so transferred to be also available for the purchase or other acquisition, construction, equipment, operation, and maintenance of vessels or other facilities necessary for conducting research as provided for in this section, (2) to develop and increase markets for fishery products of domestic origin, and (3) to conduct any biological, technological or other research pertaining to American fisheries.*

(b) For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is authorized to transfer, without reimburse-

ment or transfer of funds, any vessels or equipment excess to its needs required by the Secretary of the Interior for the activities, studies, and research authorized herein.

(c) In carrying out the purposes and objectives of this section, the Secretary of the Interior is directed as far as practicable to cooperate with other appropriate agencies of the Federal Government, with State or local governmental agencies, private agencies, organizations, or individuals, having jurisdiction over or an interest in fish or fishery commodities, and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules and regulations pertaining to requests for assistance, and other matters.

(d) The Secretary of the Interior is further authorized to retransfer any of the funds made available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of this Act, and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this Act with respect to domestically produced fishery products.

(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this Act and the annual accruals thereto shall be available until expended, except that the balance of the fund shall not exceed five million dollars at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said five million dollars' balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the Act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

○

Calendar No. 1216

83D CONGRESS
2D SESSION

S. 2802

[Report No. 1210]

IN THE SENATE OF THE UNITED STATES

JANUARY 22, 1954

Mr. SALTONSTALL (for himself, Mr. KENNEDY, Mr. BEALL, Mr. BURKE, Mr. BUTLER of Maryland, Mr. CORDON, Mr. EASTLAND, Mr. FERGUSON, Mr. GEORGE, Mr. GREEN, Mr. HENDRICKSON, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. LEHMAN, Mr. LENNON, Mr. MAGNUSON, Mr. MORSE, Mr. PASTORE, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. STENNIS, Mr. THYE, and Mr. WILEY) introduced the following bill; which was read twice and referred to the Committee on Interstate and Foreign Commerce

APRIL 14, 1954

Reported by Mr. DUFF, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To further encourage the distribution of fishery products, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 2 of the Act of August 11, 1939 (53 Stat.
4 1411), is hereby amended to read as follows:
5 "SEC. 2. (a) The Secretary of Agriculture shall trans-
6 fer to the Secretary of the Interior each fiscal year, begin-
7 ning with the fiscal year commencing July 1, 1954, from
8 moneys made available to carry out the provisions of section

1 32 of such Act of August 24, 1935, an amount equal to
2 30 per centum of the gross receipts from duties collected
3 under the customs laws on fishery products (including fish,
4 shellfish, mollusks, ~~and~~ crustacea, *aquatic plants and animals,*
5 *and any products thereof, including processed and manu-*
6 *factured products)*, which shall be maintained in a separate
7 fund and used by the Secretary of the Interior (1) to pro-
8 mote the free flow of domestically produced fishery products
9 in commerce by conducting a fishery educational service
10 and fishery technological, biological and related research
11 programs, the moneys so transferred to be also available
12 for the purchase or other acquisition, construction, equip-
13 ment, operation, and maintenance of vessels or other facili-
14 ties necessary for conducting research as provided for in
15 this section, and (2) to develop and increase markets for
16 fishery products of domestic origin *and (3) to conduct any*
17 *biological, technological, or other research pertaining to*
18 *American fisheries.*

19 "(b) For the purposes of this section, any agency of
20 the United States, or any corporation wholly owned by the
21 United States, is authorized to transfer, without reimburse-
22 ment or transfer of funds, any vessels or equipment excess
23 to its needs required by the Secretary of the Interior for the
24 activities, studies, and research authorized herein.

1 "(c) In carrying out the purposes and objectives of
2 this section, the Secretary of the Interior is directed as far
3 as practicable to cooperate with other appropriate agencies
4 of the Federal Government, with State or local governmen-
5 tal agencies, private agencies, organizations, or individuals,
6 having jurisdiction over or an interest in fish or fishery
7 commodities *and he is authorized to appoint an advisory*
8 *committee of the American fisheries industry to advise him*
9 *in the formulation of policy, rules and regulations pertain-*
10 *ing to requests for assistance, and other matters.*

11 "(d) The Secretary of the Interior is further authorized
12 to retransfer any of the funds made available under this
13 section to the Secretary of Agriculture to be used for the
14 purposes specified in section 1 of this Act, *and only such*
15 *funds as are thus transferred shall be used for the purposes*
16 *specified in section 1 of this Act with respect to domestically*
17 *produced fishery products.*

18 *"(e) The separate fund created for the use of the Sec-*
19 *retary of the Interior under section 2 (a) of this Act and*
20 *the annual accruals thereto shall be available until expended,*
21 *except that the balance of the fund shall not exceed $5,000,-*
22 *000 at the end of any fiscal year, and the Secretary of the*
23 *Interior shall retransfer the funds in excess of said $5,000,-*

1 *000 balance to the Secretary of Agriculture to be used for*
2 *the purposes specified in section 32 of the Act of 1935 (49*
3 *Stat. 774; 7 U. S. C. 612 c), as amended."*

Calendar No. 1216

83D CONGRESS
2D SESSION

S. 2802

[Report No. 1210]

A BILL

To further encourage the distribution of fishery products, and for other purposes.

By Mr. SALTONSTALL, Mr. KENNEDY, Mr. BEALL, Mr. BURKE, Mr. BUTLER of Maryland, Mr. CORDON, Mr. EASTLAND, Mr. FERGUSON, Mr. GEORGE, Mr. GREEN, Mr. HENDRICKSON, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. LEHMAN, Mr. LENNON, Mr. MAGNUSON, Mr. MORSE, Mr. PASTORE, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. STENNIS, Mr. THYE, and Mr. WILEY

JANUARY 22, 1954
Read twice and referred to the Committee on Interstate and Foreign Commerce

APRIL 14, 1954
Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 20, 1954
For actions of April 19, 1954
83rd-2nd, No. 71

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HIGHLIGHTS: Senate passed but reconsidered bill to increase maximum per-diem allowance. Senate passed over bill to earmark Sec. 32 funds for fish, etc.

SENATE

1. TRAVEL EXPENSES. Passed without amendment S. 3200, to increase the maximum per-diem allowance from 9 to 12. The vote was later reconsidered, at the request of Sen. Langer, who said it was unfair to Senators. (pp. 4968-9, 4974-5.)

2. FISH DISTRIBUTION. S. 2802, to earmark Sec. 32 funds for publicity, education, and research regarding fish and related products, was passed over at the request of Sen. Hendrickson (p. 4970).

3. FOREIGN AID. S. Res. 214, providing for a study of technical-assistance programs, was referred to the Rules and Administration Committee (p. 4969).

4. WATER FACILITIES. S. 1300, to increase the loan limit under the Water Facilities Act, was transferred from the Committee on Interior and Insular Affairs to the Committee on Agriculture and Forestry (pp. 4954-5).

5. SURPLUS COMMODITIES. Sen. Gillette inserted the reply of HEW to his request for assistance in developing a bill to distribute surplus commodities to social-security recipients (p. 4956).

6. FOREST HIGHWAYS. Sen. Morse inserted an Oregon Trucking Assn. resolution favoring additional forest highways (p. 4952).

7. BANKING AND CURRENCY. Sen. Humphrey objected to what he called a "hard money and tight-credit policy" (pp. 4983-4).

BILLS INTRODUCED

8. MISSOURI BASIN. S. 3325, by Sen. Hennings (for himself and others), to establish a Missouri Basin Commission and Compact Board; to Public Works Committee(p.4953).

9. PUBLIC LANDS. S. 3317, by Sen. Butler, Nebr., to consolidate, revise, and reenact

the townsite laws applicable to Alaska; to Interior and Insular Affairs Committee (p. 4953).

ITEMS IN APPENDIX

10. CONSERVATION. Extension of remarks of Rep. Metcalf charging that USDA and Interior have delayed submission of a conservation program and saying, "All I have seen so far is an alarming tendency to let the selfish interests move in on our public domain" (p. A2932).

11. PRICE SUPPORTS. Sen. Young inserted a newspaper editorial favoring rigid price supports (pp. A2926-7).

12. FORESTRY APPROPRIATIONS. Sen. Humphrey inserted a newspaper article claiming the Forest Service does not receive sufficient appropriations (p. A2914).

13. WATER POLLUTION. Sen. Bridges and Rep. Price inserted articles favoring Federal assistance in controlling water pollution (pp. A2914-5, A2928).

14. FARM PROGRAM. Speech in the House by Rep. Roosevelt favoring H. R. 8837, his "anti-recession" bill which includes provisions continuing high price supports on basic commodities, providing various methods of disposal of surplus commodities, etc. (pp. A2915-20).

15. EXPENDITURES. Rep. Coudert inserted Herbert Hoover's speech favoring economy in Government expenditures (pp. A2920-1).

HOUSE

16. AGRICULTURAL APPROPRIATION BILL, 1955. Rep. Ford's amendment to increase Extension Service (see Digest 69) was modified, before being agreed to, so as to eliminate the proposed increase of $115,000 for penalty mail.

BILLS APPROVED BY THE PRESIDENT

17. LAND TRANSFER. H. R. 4984, to remove certain limitations upon disposition of research land heretofore conveyed to Miles City, Mont. Approved Apr. 15, 1954 (Public Law 336, 83rd Cong.).

18. FARM-LABOR APPROPRIATION. H. J. Res. 461, to appropriate $478,000 additional to the Labor Department to carry out the Mexican farm labor program. Approved Apr. 9, 1954 (Public Law 329, 83rd Cong.).

19. FOOD STANDARDS. H. R. 6434, to amend the Federal Food, Drug, and Cosmetic Act so as to simplify the proceedings for establishment of food standards. Approved Apr. 15, 1954 (Public Law 335, 83rd Cong.).

COMMITTEE HEARINGS RELEASED BY GPO

20. ARMY DEPARTMENT APPROPRIATIONS, 1955. H. Appropriations Committee.
21. NAVY DEPARTMENT APPROPRIATIONS, 1955. H. Appropriations Committee.
22. COFFEE. S. 1386 and H. R. 7735, to include coffee under the Commodity Exchange Act. H. Agriculture Committee.

-o-

COMMITTEE HEARING ANNOUNCEMENTS FOR APR. 20: Price supports, S. Agriculture. Third supplemental appropriation bill, S. Appropriations, to mark up (exec).

-o-

For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 105A. -o-

priated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EFTYCHIOS MOURGINAKIS

The Senate proceeded to consider the bill (S. 676) for the relief of Eftychios Mourginakis, which had been reported from the Committee on the Judiciary with an amendment, in line 7, after the word "fee", strike out "and head tax", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Eftychios Mourginakis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RITO SOLLA

The bill (H. R. 1784) for the relief of Rito Solla was considered, ordered to a third reading, read the third time, and passed.

DARYL L. ROBERTS, ADE E. JASKAR, TERRENCE L. ROBBINS, HARRY JOHNSON, AND FRANK SWANDA

The bill (H. R. 2018) for the relief of Daryl L. Roberts, Ade E. Jaskar, Terrence L. Robbins, Harry Johnson, and Frank Swanda was considered, ordered to a third reading, read the third time, and passed.

PETRA FUMIA

The bill (H. R. 3836) for the relief of Petra Fumia was considered, ordered to a third reading, read the third time, and passed.

LEE SUI SHEE

The bill (H. R. 4099) for the relief of Lee Sui Shee was considered, ordered to a third reading, read the third time, and passed.

FILING OF CLAIMS UNDER THE WAR CLAIMS ACT OF 1948

The Senate proceeded to consider the bill (H. R. 6896) to extend the period for the filing of certain claims under the War Claims Act of 1948 by World War II prisoners of war, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, page 1, after the word "before", strike out "November" and insert "August."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MARTHA SCHNAUFFER

The Senate proceeded to consider the bill (H. R. 3876) for the relief of Martha Schnauffer, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Martha Schnauffer may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act for the relief of Martha Schnauffer Schockley."

BILLS PASSED OVER

The bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2650) to amend the Labor Management Relations Act of 1947, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SMATHERS. Over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF MERCHANT MARINE ACT OF 1936

The bill (S. 1878) to amend the Merchant Marine Act of 1936, as amended, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. COOPER. Mr. President, may we have an explanation of the bill?

Mr. PAYNE. Mr. President, this bill, as reported, would amend the Merchant Marine Act, 1936, by setting a single standard of valuations for losses under war-risk insurance and requisition transactions. Present law uses different terminology for those two types of losses with resultant confusion and uncertainty. The pending bill would also provide for a review de novo by the courts in all cases where the valuation set by the Secretary of Commerce would be rejected by the owners or insured.

SECTION 1

The first section of S. 1878, as reported by your committee, has the effect of removing the terminology in existing law which sets up a confusing double standard of valuations in war-risk insurance transactions as distinguished from valuations pertaining to requisitions. It would do this by repealing from the preslaw—section 1209 (a) of the Merchant Marine Act, 1936—the words "but with respect to any vessel which is insured under the provisions of this act, the amount of the claim adjusted, compromised, settled, adjudged or paid shall not exceed the vessel's fair and reasonable value as determined by the Federal Maritime Board."

This section then makes the single standard of valuation in section 902 of the act apply to insurance transactions and grants a right to the insured to reject the valuation, accept 75 percent of it and sue in the courts for the difference between 75 percent of the valuation offered him by the Secretary of Commerce and the amount the insured believes is the true valuation under section 902. If the court finds that in acepting the 75 percent payment, the insured has already been overpaid, he must refund the excess over the proper valuation as found by the court to be due under section 902. Now that a single standard of valuation is contained in this bill and that the insured is granted a right of review by the courts, it becomes necessary to make clear that the reference in several appropriation acts—to the effect that the valuation in war-risk-insurance transactions is to be the same as under 902 (a) as interpreted by the General Accounting Office and that otherwise the money is not to be used to pay such valuations—does not apply to court judgments which are usually paid through specific appropriations. Accordingly this appropriation rider is declared inapplicable to court judgments. Premiums under policies issued are adjusted on the basis of the valuation as finally determined and of the rate provided for in the policies.

SECTION 2

Section 2 of the bill, as reported, makes minor adjustments in section 902 (c) of the Merchant Marine Act, 1936, to remove a doubt which exists under present law whether the Government could recover the excess, in a requistion case, in the event that the court found that the 75 percent initial payment by the Secretary of Commerce on a rejected valuation exceeded the just compensation proved in section 902. The pending bill would clearly allow the Government to recover the excess in the payment.

SECTION 3

Section 3 of the pending bill would amend the first sentence of section 902 (d) of the Merchant Marine Act, 1936, by making the same provision for court review and recovery of excess payments applicable generally in all cases where just compensation is authorized by section 902.

passed, but that it had been merely called by the clerk.

The PRESIDING OFFICER. According to the RECORD, the bill was passed.

Mr. SMATHERS. I join in the request of the Senator from New Jersey.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. I ask that the bill be passed to the foot of the calendar.

The PRESIDING OFFICER. Without objection, the bill will be passed to the foot of the calendar.

EXTENSION OF PERIOD OF ELECTION UNDER THE UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953

The bill (H. R. 8539) to extend the period of election under the Uniformed Services Contingency Option Act of 1953 for certain members of the uniformed services was considered, ordered to a third reading, read the third time, and passed.

Mr. HUNT. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an explanation of House bill 8539, Calendar 1203, the bill just passed. The statement was prepared by the Senator from Massachusetts [Mr. SALTONSTALL].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SALTONSTALL

The Committee on Armed Services unanimously reported the pending bill, H. R. 8539, and would point out the need for prompt action on the bill to prevent an April 30 cutoff date from causing hardship to a group of officers on active duty with the Armed Forces.

Last year the so-called Survivor Benefits Act permitted retired military personnel to take a reduced retirement pay and thereby provide an annuity for their surviving dependents. The program is entirely self-financing, and involves no expense to the Government.

One section of the act requires persons on active duty, who have completed 18 years of service, to make an election within 6 months as to whether they wish to participate. The 6 months expires April 30, which explains the urgency of the pending bill.

The services report that officers who now are overseas, or who have been stationed overseas during the past 6 months, have been unable to make the election in the time allowed.

Families are separated. The officers do not have their insurance papers with them at their overseas stations. It is all but impossible for these families to discuss this very vital problem among themselves, or to make any informal appraisal of the matter.

The following quotation from a dispatch from the Commander in Chief, Pacific Fleet, summarizes the situation pretty well.

"Particularly for officers and men in Far West Pacific units afloat and ashore, personal files and contacts are not available for consultation and use as basis for decision in limited time now available. Example, personnel embarked in ships or ashore where dependents not residing with them would not likely carry their insurance policies with them. Such policies should be reviewed prior to making irrevocable election. Also such personnel will wish to discuss in person or by correspondence with their families the problems involved. Time remaining does not permit this."

The bill therefore proposes to give this group an additional 6 months to make their election in this matter.

The Armed Services Committee feels that the bill is entirely justified, and recommends its enactment.

STUDY OF TECHNICAL ASSISTANCE PROGRAMS

The resolution (S. Res. 214) providing for a study of technical assistance programs was announced as next in order.

Mr. HENDRICKSON. Mr. President, should not the resolution be referred to the Committee on Rules and Administration under the rule?

The PRESIDING OFFICER. The Senator is correct. The resolution will be referred to the Committee on Rules and Administration.

BILL PASSED OVER

The bill (H. R. 116) to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited was announced as next in order.

Mr. COOPER. I object, by request.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 75) favoring the suspension of deportation of certain aliens was considered and agreed to.

(For text of above concurrent resolution, see CONGRESSIONAL RECORD of April 14, 1954, p. 4795.)

O. E. HAMBLETON AND MRS. HARRIET ELIZABETH HAMBLETON

The bill (S. 1140) for the relief of O. E. Hambleton and Mrs. Harriet Elizabeth Hambleton was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to O. E. Hambleton, and his wife, Mrs. Harriet Elizabeth Hambleton, of Seattle, Wash., the sum of $5,552.52, in full settlement of all claims against the United States arising out of the mistreatment of the said Mrs. Harriet Elizabeth Hambleton during her interrogation by a member of the Criminal Investigation Division of the Army on January 20, 1948, and in compensation for the resulting injuries sustained by the said O. E. Hambleton and Mrs. Harriet Elizabeth Hambleton, the claimants having no remedy under the Federal Tort Claims Act, as amended: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

CPL. ROBERT D. McMILLAN

The bill (S. 599) for the relief of Cpl. Robert D. McMillan, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. COOPER. Mr. President, I do not object to the passage of the bill, but I wish to call attention to one paragraph in the report, which I believe is based on faulty reasoning, and which I hope will not be included in other reports.

The paragraph appears on page 4 of the report. It is the second paragraph. It states:

The claim cannot be settled under the Federal Tort Claims Act, as amended, for the reason that the evidence falls to establish definitely that the damage complained of was "caused by the negligent or wrongful act or omission of any employee of the Government while acting within the scope of his office or employment," a condition precedent to the maintenance of a claim or suit under that statute.

Of course the clear implication is that under the facts this claim could not have been settled under the Federal Tort Claims Act. Actually the facts show that the damage which is claimed was caused by fire, which, under the evidence, presumably was started by Corporal McMillan. The paragraph gives the impression that under such a state of facts there was no jurisdiction. Actually, the evidence would permit a recovery in this case.

I believe there is a distinct difference between the statement in the report and the facts in this case, and I should not like to see a similar statement included in other reports, in accordance with with which the Department of the Army would merely take the position that, because under the evidence a recovery would not be successful, there is no jurisdiction under the Federal Tort Claims Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 599) for the relief of Cpl. Robert D. McMillan, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 7, after the words "sum of", strike out "$2,003.20" and insert "$1,806.72", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cpl. Robert D. McMillan (Army serial No. RA-17053963), the sum of $1,806.72, in full settlement of all claims against the United States on account of damage to or loss or destruction of his personal property in a fire that occurred at the Branch United States Disciplinary Barracks, Milwaukee, Wis., on February 24, 1950; the said claim of Cpl. Robert D. McMillan being a claim that is not cognizable under the Federal Tort Claims Act, as amended: *Provided*, That no part of the amount appro-

83D CONGRESS
1ST SESSION

S. 1731

IN THE SENATE OF THE UNITED STATES

APRIL 22 (legislative day, APRIL 6), 1953

Mr. SALTONSTALL introduced the following bill; which was read twice and referred to the Committee on Interstate and Foreign Commerce

A BILL

To further encourage the distribution of fishery products, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Act of August 11, 1939 (53 Stat. 1411), is hereby
4 amended to read as follows:
5 "(a) That from the funds available to the Secretary of
6 Agriculture to carry out the provisions of section 32 of the
7 Act of August 24, 1935 (49 Stat. 774), as amended,
8 $1,000,000 a year shall be transferred to the Secretary of
9 the Interior who shall maintain separate funds of (1)
10 $750,000 which shall be used by him to promote the free
11 flow of domestically produced fishery products in commerce

1 by conducting a fishery educational service and fishery tech-
2 nological and related research programs, the moneys so
3 transferred to be also available for the purchase or other
4 acquisition, construction, equipment, operation, and mainte-
5 nance of vessels or other facilities necessary for conducting
6 research as provided for in this section; and (2) $250,000
7 which shall be used by him to develop and increase markets
8 for fishery products of domestic origin.

9 "(b) For the purposes of this section, any agency of
10 the United States, or any corporation wholly owned by the
11 United States, is authorized to transfer, without reimburse-
12 ment or transfer of funds, any vessels or equipment excess
13 to its needs required by the Secretary of the Interior for the
14 activities, studies, and research authorized herein.

15 "SEC. 2. In carrying out the purposes and objectives of
16 this Act, the Secretary of the Interior is directed as far as
17 practicable to cooperate with other appropriate agencies of
18 the Federal Government, with State or local governmental
19 agencies, private agencies, organizations, or individuals,
20 having jurisdiction over or an interest in fish or fishery com-
21 modities."

83D CONGRESS
1ST SESSION

S. 1731

A BILL

To further encourage the distribution of fishery products, and for other purposes.

By Mr. SALTONSTALL

APRIL 22 (legislative day, APRIL 6), 1953

Read twice and referred to the Committee on Interstate and Foreign Commerce

Digest of CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 5, 1954
For actions of May 4, 1954
83rd-2nd, No. 81

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HIGHLIGHTS: Senate passed bills to use CCC seeds on forest lands, etc., and increase excess-tobacco penalty. Senate discussed bill to earmark Sec. 32 funds for fish, etc. Rep. D'Ewart introduced and discussed bill to transfer extension work among Indians to USDA, etc.

SENATE

1. CCC SEEDS; FORESTRY. Passed as reported S. 2987, to provide for use of surplus seeds on Federal lands (p. 5604). The bill directs CCC to transfer not to exceed the following amounts of hay and pasture seeds: To Forest Service, 485,000 pounds; to Fish and Wildlife Service, 163,000 pounds; and to Bureau of Land Management, 252,000 pounds. It authorizes appropriation of $95,000 for the Forest Service (and other amounts for the other agencies involved) to defray costs of transporting and seeding. As amended in committee, the bill authorizes appropriations to reimburse CCC for the seeds.

2. TOBACCO QUOTAS. Passed without amendment S. 3050, to increase the penalty on the marketing of tobacco in excess of the farm marketing quota from 40% to 50% of the average market price during the preceding marketing year (p. 5605).

3. FLOOD CONTROL. Passed without amendment H. R. 8377, authorizing additional appropriations for Army flood control in the Columbia River Basin (pp. 5602-3). This bill will now be sent to the President.

4. HOMESTEADING. Passed as reported S. 1823, to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict (pp. 5605-6).

5. SURPLUS FISH. Discussed and passed over S. 2802, to earmark Sec. 32 funds for publicity, research, etc., regarding fish and related products (pp. 5622-3).

6. RECLAMATION. Received the Interior Department report on the Dalton Gardens project, Idaho (p. 5592).

7. ST. LAWRENCE SEAWAY. Sen. Wiley spoke in favor of this project (pp. 5598-9).

8. EXPENDITURES. Sen. Martin inserted a newspaper article commending Herbert Hoover's appeal for economy in Government expenditures (p. 5599).

HOUSE

9. WATERSHED DEVELOPMENT. Rep. Miller, Kans., spoke in favor of H. R. 8602, his bill to provide for farm loans for soil conservation practices, and H. R. 6788, the Hope watershed bill (p. 5640).

BILLS INTRODUCED

10. WATERSHED DEVELOPMENT. H. R. 8981, by Rep. Angell, "to provide for further beneficial development of the water resources of the Columbia River Basin"; to Public Works Committee (p. 5649).

11. EXTENSION WORK. H. R. 8982, by Rep. D'Ewart, to transfer agricultural extension work among the Indians from the Bureau of Indian Affairs to the Extension Services of USDA and the States; to Interior and Insular Affairs Committee (p. 5649). Remarks of author (p. A3237).

12. SEED. H. R. 8985, by Rep. Harrison, Nebr., "to amend the Federal Seed Act"; to Agriculture Committee (p. 5649).

13. ELECTRIFICATION. H. R. 8986, by Rep. Mills, and H. R. 8989, by Rep. Trimble, to authorize modification of the general plan for the comprehensive development of the White River Basin to provide for additional hydroelectric power development, for the control of floods, etc.; to Public Works Committee (pp. 5649-50).

14. PERSONNEL. H. R. 8988, by Rep. Small, to amend the Civil Service Retirement Act to encourage the voluntary retirement of personnel whose effectiveness may be impaired through age and accompanying infirmities; to Post Office and Civil Service Committee (p. 5650).

H. R. 8990, by Rep. Withrow, to provide a minimum rate of additional pay for night work performed by wage-board employees of the U. S.; to Post Office and Civil Service Committee (p. 5650).

ITEMS IN APPENDIX

15. SOIL CONSERVATION. Sen. Johnson, Tex., inserted a Fort Worth Press article containing excerpts from essays submitted by high school students participating in a contest sponsored by that paper on soil conservation, the prize-winning essay, and a newspaper article outlining the work that went into winning the Tex. championship for soil conservation work by the Dalworth Soil Conservation District (pp. A3216-7, A3223, A3233-4).

16. PRICE SUPPORTS; EXPENDITURES; ST. LAWRENCE SEAWAY. Rep. Byrd inserted the results of a poll of his constituents indicating that they favored price supports on basic farm products and the St. Lawrence seaway and that they opposed increasing the debt limit (p. A3219).

17. ST. LAWRENCE SEAWAY. Newspaper editorials, etc., on this project (pp. A3220-1, A3225-7, A3248-9).

18. PERSONNEL; EXPENDITURES. Rep. Bosch inserted National Ass'n of Pro America resolutions favoring removal of policy-making positions from civil service and opposing an increase in the debt limit (p. A3221).

sidered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That during any period in which vessels may be requisitioned under section 902 of the Merchant Marine Act, 1936, as amended, the President is authorized and empowered through the Secretary of Commerce to purchase, or to requisition, or for any part of such period to charter or requisition the use of, or to take over the title to or possession of, for such use or disposition as he shall direct, any merchant vessel not owned by citizens of the United States which is lying idle in waters within the jurisdiction of the United States, including the Canal Zone, and which the Secretary finds to be necessary to the national defense. Just compensation shall be determined and made to the owner or owners of any such vessel in accordance with the applicable provisions of section 902 of the Merchant Marine Act, 1936, as amended. Such compensation hereunder, or advances on account thereof, shall be deposited with the Treasurer of the United States in a separate deposit fund. Payments for such compensation and also for payment of any valid claim upon such vessel in accord with the provisions of the second paragraph of subsection (d) of such section 902, as amended, shall be made from such fund upon the certificate of the Secretary of Commerce.

SEC. 2. During any period in which vessels may be requisitioned under section 902 of the Merchant Marine Act, 1936, as amended, the President is authorized through the Secretary of Commerce to acquire by voluntary agreement of purchase or charter the ownership or use of any merchant vessel not owned by citizens of the United States.

SEC. 3. (a) Any vessel not documented under the laws of the United States, acquired by or made available to the Secretary of Commerce under this act, or otherwise, may, notwithstanding any other provision of law, in the discretion of the Secretary of the Treasury be documented as a vessel of the United States under such rules and regulations or orders, and with such limitations, as the Secretary of the Treasury may prescribe or issue as necessary or appropriate to carry out the purposes and provisions of this act, and in accordance with the provisions of subsection (c) hereof, engage in the coastwise trade when so documented. Any document issued to a vessel under the provisions of this subsection shall be surrendered at any time that such surrender may be ordered by the Secretary of the Treasury. No vessel, the surrender of the documents of which has been so ordered, shall, after the effective date of such order, have the status of a vessel of the United States unless documented anew.

(b) The President may, notwithstanding any other provisions of law, by rules and regulations or orders, waive compliance with any provision of law relating to masters, officers, members of the crew, or crew accommodations on any vessel documented under authority of this section to such extent and upon such terms as he finds necessary because of the lack of physical facilities on such vessels, and because of the need to employ aliens for their operation. No vessel shall cease to enjoy the benefits and privileges of a vessel of the United States by reason of the employment of any person in accordance with the provisions of this subsection.

(c) Any vessel while documented under the provisions of this section, when chartered under this act by the Secretary of Commerce to Government agencies or departments or to private operators, may engage in the coastwise trade under permits issued by the Secretary of Commerce, who is hereby authorized to issue permits for such purpose pursuant to such rules and regulations as he may prescribe. The Secretary of Commerce is hereby authorized to prescribe such rules and regulations as he may deem necessary or appropriate to carry out the purposes and provisions of this section. The second paragraph of section 9 of the Shipping Act, 1916, as amended, shall not apply with respect to vessels chartered to Government agencies or departments or to private operators or otherwise used or disposed of under this act. Existing laws covering the inspection of steam vessels are hereby made applicable to vessels documented under this section only to such extent and upon such conditions as may be required by regulations of the Secretary of the Department in which the Coast Guard is operating: *Provided*, That in determining to what extent those laws should be made applicable, due consideration shall be given to the primary purpose of transporting commodities essential to the national defense.

(d) The Secretary of Commerce without regard to the provisions of section 3709 of the Revised Statutes may repair, reconstruct, or recondition any vessels to be utilized under this act. The Secretary of Commerce and any other Government department or agency by which any vessel is acquired or chartered, or to which any vessel is transferred or made available under this act may, with the aid of any funds available and without regard to the provisions of said section 3709, repair, reconstruct, or recondition any such vessels to meet the needs of the services intended, or provide facilities for such repair, reconstruction, or reconditioning. The Secretary of Commerce may operate or charter for operation any vessel to be utilized under this act to private operators, citizens of the United States, or to any department or agency of the United States Government, without regard to the provisions of title VII of the Merchant Marine Act, 1936, and any department or agency of the United States Government is authorized to enter into such charters.

(e) In case of any voyage of a vessel documented under the provisions of this section begun before the date of termination of an effective period of section 1 hereof, but is completed after such date, the provisions of this section shall continue in effect with respect to such vessel until such voyage is completed.

(f) When used in this act, the term "documented" means "registered," "enrolled and licensed," or "licensed."

COMPOSITION AND JURISDICTION OF THE SUPREME COURT—JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 44) proposing an amendment to the Constitution of the United States relating to the composition and jurisdiction of the Supreme Court was announced as next in order.

Mr. KNOWLAND. Mr. President, in view of the fact that this joint resolution involves an amendment to the Constitution of the United States, I object to its being considered at this time.

The PRESIDING OFFICER. The joint resolution will be passed over.

KIRILL MIHAILOVICH ALEXEEV, ANTONINA IVANOVNA ALEXEEV, AND MINOR CHILDREN, VICTORIA AND VLADIMIR ALEXEEV

The Senate proceeded to consider the bill (S. 855) for the relief of Kirill Mihailovich Alexeev. Antonina Ivanovna Alexeev, and minor children, Victoria and Vladimir Alexeev, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 9, after the word "fees", to strike out "and head taxes"; and on page 2, beginning in line 2, to strike out "the number of displaced persons who shall be granted the status of permanent residence pursuant to section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; 64 Stat. 219; 50 U. S. C. App. 1953)" and insert "the appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Kirill Mihailovich Alexeev, Antonina Ivanovna Alexeev, and minor children, Victoria and Vladimir Alexeev, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct four numbers from the appropriate quota for the first year that such quota is available.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ATTORNEYS' LIENS IN PROCEEDINGS BEFORE COURTS, ETC.—BILL PASSED OVER

The bill (S. 42) to provide for attorneys' liens in proceedings before the courts or other departments and agencies of the United States was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that this bill be passed over.

Mr. McCARRAN. Mr. President, will the Senator from New Jersey withhold his objection?

Mr. HENDRICKSON. I shall be glad to do so.

Mr. McCARRAN. Mr. President, this is a bill which passed the Senate during the last Congress.

At common law, an attorney had two types of liens. He had a holding lien, which entitled him to retain documents or other property given into his possession by his client, until his fee was paid. He also had a charging lien, which could be enforced by an action, against the recovery in the suit; that is, the attorney had a lien enforcible at law, for the amount of his fee, against the amount of his client's recovery.

In common-law States, these liens exist today. In many States, by statute, these liens are specifically recognized. In the District of Columbia, however, the charging lien is not recognized except in certain specialized circumstances.

Federal courts will recognize and enforce an attorney's charging lien in any jurisdiction where under State law he would be entitled to enforce it. Thus, the rule differs in various Federal jurisdictions, as we go from State to State. The District of Columbia is, of course, entirely a Federal jurisdiction.

The bill now before the Senate would give attorneys in Federal cases the right to have a charging lien against their client's recovery. This bill follows closely the New York statute on this subject, which has worked well for a number of years and which has been thoroughly construed by the courts.

It should be pointed out that this bill does not impose any liability upon the Government, nor place the Government under any additional burden in connection with any action at law or in equity. The attorney's lien would attach only to his client's net recovery; so that in the case of an action against the Government, where the Government had a counterclaim, the lien would not attach until the Government's counterclaim had been adjudicated, and then the lien would attach only to that portion of the claim which the court apportioned to the plaintiff.

This bill has the strong endorsement of the American Bar Association. It was thoroughly discussed in the Judiciary Committee, and came out of the committee without objection.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. HENDRICKSON. Mr. President, I renew my objection.

The PRESIDING OFFICER. The bill will be passed over.

Mr. McCARRAN. Mr. President, I ask unanimous consent that Calendar 1152, Senate bill 42, may be called on the next call of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATURALIZATION OF FORMER CITIZENS OF THE UNITED STATES—BILL PASSED OVER

The bill (S. 1303) to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship by voting in a political election or plebiscite held in occupied Japan was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. GORE. Mr. President, I ask that the senior Senator from Maryland explain the necessity for this bill, the number of persons involved, and the justification for it.

Mr. BUTLER of Maryland. Mr. President, this bill affects approximately 2,000 persons who voted in the Japanese election in order to sway the election, according to the psychology of government in which they then believed. They were American citizens and, when they voted, they lost their citizenship. It is necessary to pass this bill in order that their naturalization as American citizens may be more readily obtainable. It involves a situation similar to that which occurred in connection with the Italian elections. At that time a bill was passed, as I recall, by the 79th Congress, providing precisely what this bill provides, making it easier to naturalize former American citizens who had taken part in a foreign election.

Mr. GORE. Mr. President, will the Senator from Maryland yield?

Mr. BUTLER of Maryland. I yield.

Mr. GORE. A letter from the State Department seems to indicate that a great many of the persons covered by this bill considered themselves to be loyal citizens of Japan during the war. In view of that fact which is set forth in the Department's letter, does not the able Senator think it would be better for some committee carefully to consider each case, rather than to treat 2,000 persons as a group and to restore citizenship to them, even though the actions and the loyalties of the individuals may have differed widely?

Mr. BUTLER of Maryland. Will the Senator refer me to the place in the report where the letter to which he has referred may be found?

Mr. GORE. It is on page 6 of the report, and I am referring to the first paragraph of the letter on page 6.

Mr. BUTLER of Maryland. Yes, but those persons were all American citizens and were unable to return to the United States because of the state of war which existed between the United States and Japan.

Mr. GORE. Let me read one sentence from the letter to which I have referred:

> From all practical indications, they conducted themselves as loyal subjects of the Emperor of Japan during the time Japan was at war against the United States, and were regarded as such by the Japanese authorities.

Therefore, Mr. President, I inquire of the able Senator if the committee has given consideration to the individual cases, or have the 2,000 persons been treated as a group?

Mr. BUTLER of Maryland. I did not hear the last part of the Senator's question.

Mr. GORE. I inquired if the Committee on the Judiciary considered the respective individuals named in the bill, or if the committee treated them as a group.

Mr. BUTLER of Maryland. I understand the committee did not consider them separately; the cases were considered in a group.

Mr. GORE. I think, under the circumstances, that I must ask that the bill go over.

The PRESIDING OFFICER. There being objection, the bill will be passed over.

BILLS PASSED OVER

The bill (H. R. 887) for the relief of Mr. and Mrs. Edward Levandoski was announced as next in order.

Mr. SMATHERS. I ask that the bill go over.

The PRESIDING OFFICER. There being objection, the bill will be passed over.

The bill (S. 975) to amend the Home Owners' Loan Act of 1933, as amended, was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 5416) to authorize the advancement of certain lieutenants on the retired list of the Navy was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3200) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses was announced as next in order.

Mr. HENDRICKSON. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

PROHIBITION OF TRANSPORTATION OF FIREWORKS IN CERTAIN CASES—BILL PASSED OVER

The bill (H. R. 116) to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited, was announced as next in order.

Mr. HENDRICKSON. Over by request.

Mr. KNOWLAND. Mr. President, at the request of the senior Senator from Wisconsin [Mr. WILEY] who had to leave the Chamber, I should like to ask whether the calendar committee would be willing to indicate at whose request the bill is asked to be passed over, so that the Senator from Wisconsin might have an opportunity to discuss the matter with those who object.

Mr. HENDRICKSON. I am glad to furnish that information. The records of the calendar committee show that the bill is opposed by the Senator from Idaho [Mr. WELKER], the senior Senator from South Dakota [Mr. MUNDT], the junior Senator from South Dakota [Mr. CASE], the Senator from Maryland [Mr. BEALL], and the junior Senator from Wisconsin [Mr. McCARTHY].

Mr. KNOWLAND. I thank the Senator.

The PRESIDING OFFICER (Mr. UPTON in the chair). The bill will be passed over.

DISTRIBUTION OF FISHERY PRODUCTS—BILL PASSED OVER

The bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. I ask that the bill go over, by request.

Mr. SMATHERS. I wonder if the Senator from New Jersey will withhold his request for one moment.

Mr. HENDRICKSON. With pleasure, I shall withhold my request.

Mr. SMATHERS. Mr. President, may I be permitted to ask the Senator from New Jersey if the request that the bill go over comes from the distinguished junior Senator from Delaware [Mr. FREAR]?

Mr. HENDRICKSON. The junior Senator from Delaware was one of the Senators who requested that the bill go over.

Mr. SMATHERS. I do not desire that the bill should not go over, but, in view of the fact that the Senator from New Jersey has stated that a request that the bill go over, had been made by the Senator from Delaware, I may say that I have talked with the Senator from Delaware since he originally filed his request, and he has indicated to me that he no longer has an objection.

Mr. HENDRICKSON. As I understand, the Senator from Delaware desires to propose an amendment, and the sponsors of the bill will not accept the amendment. It is quite possible that between now and the time of the next call of the calendar the Senators concerned can consult with one another with respect to the situation.

Mr. SMATHERS. I thank the Senator from New Jersey. I observe in the Chamber the Senator from Pennsylvania [Mr. DUFF], who steered the measure through the committee. I wonder if the Senator from Pennsylvania has any observations to make about the bill.

Mr. DUFF. The only observation I can make is that I had heard an objection had been lodged by the Senator from Delaware and the Senator from Vermont.

I am also advised that the Senator from Delaware has withdrawn his objection, as has been suggested by the Senator from Florida, but that the Senator from Vermont has not withdrawn his objection.

Mr. HENDRICKSON. I do not wish to take issue with the Senator from Pennsylvania, but I do not believe that is quite the fact; I think the situation is somewhat in reverse.

The PRESIDING OFFICER. The Chair inquires whether there is objection to the present consideration of the bill.

Mr. KNOWLAND. I understood that objection had been raised.

Mr. HENDRICKSON. Yes; I raised the objection, but I want the RECORD to show that it was by request.

The PRESIDING OFFICER. There being objection, the bill will be passed over.

AMENDMENT OF LABOR-MANAGEMENT RELATIONS ACT OF 1947

Mr. KNOWLAND. Mr. President, the next bill, S. 2650, is the unfinished business of the Senate. Obviously it would not be taken up by unanimous consent.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate resumed the consideration of the bill (S. 2650) to amend the Labor-Management Relations Act of 1947, and for other purposes.

Mr. LEHMAN. Mr. President, as a member of the Senate Committee on Labor and Public Welfare since I came to the Senate more than 15 years ago, I have been intimately involved and deeply interested in legislation dealing with the vital issue of labor and management relations.

I feel very strongly about the irregular procedures employed by the majority in reporting S. 2650 to the Senate. I feel with equal force that the bill itself represents a backward step along the difficult road toward harmonious labor-management relations. Finally, as the Senate knows, I have presented an amendment to the pending bill about which I feel very strongly, too—an amendment which would seek to prevent unfair discrimination, either by unions or by employees, because of race, religion, color, or national origin.

Regarding each of these three factors involved in the consideration of the pending legislation, I intend to address myself at considerable length at a later date. It is my purpose to address myself today to the pending amendment, offered by the junior Senator from Arizona, and to the provision of the so-called Smith bill which he would amend. I know that section 16 of the bill, and to an even greater extent the Goldwater amendment, deal with a subject about which many Members of this body have very strong and almost emotional feelings—the question of Federal-State jurisdiction in labor-management disputes affecting the health and safety of the people of any State.

I hope that I can make my position very clear on this basic issue right now. I served as Lieutenant Governor and Acting Governor of New York State for 4 years, following which I was elected for four successive terms as Governor of that State. I know the problems of State government and the powers of State governors. I am as sympathetic as any other Member of this body to the proposition that those powers which can properly be exercised by the States to protect the welfare of the people should be so exercised without interfence from the Federal Government.

I think that I can safely say that during my service in the State capitol at Albany I dealt with many different problems quite as often as any other governor of any of the 48 States. I am certain I do not have to recall to my colleagues that New York State was and is the most populous State in the Union. During my tenure as Governor the economic problems of New York State were diverse, and the number of serious labor-management disputes were at least sufficient during my 14 years in Albany to test the effectiveness of the State power concerning the health and safety of the people.

At no time during that period did I ever experience an occasion when the Governor or State officials generally were foreclosed from adequate protection of the health and safety of the people by virtue of the inadequacy of their legal, constitutional authority.

Mr. President, the powers of a governor are extremely wide. They are probably much wider than most persons believe. So far as the health and welfare of the people are concerned, the powers of a governor are even broader than those which lodge in the Federal Government. The power to protect the people is, of course, built on a very broad base. The governor at all times can call out the National Guard. The governor has behind him the courts and the district attorneys. At least in New York State, and I imagine it is true in many other States, the governor has the power and authority to remove virtually every elected official in the State, including the mayors of the cities of New York, Buffalo, Albany, and other large municipalities. The governor has the power to remove the sheriffs of the different counties. The laws provide that the sheriffs have the authority and the duty, in case of disaster, or threatened disaster, to appoint just as many deputy sheriffs as in their opinion may be necessary. Such authority and duty were invoked in a great many different instances during the 14 years I was in Albany.

Yesterday when I made a similar statement it was pointed out to me that the period during which I served as Governor of New York State preceded court decisions involving the Taft-Hartley Act, which had the effect of preempting this particular field entirely for the Federal Government. I may say that while I am not a lawyer, certainly not a constitutional lawyer, I am not aware of any decision by the Supreme Court which removes one scintilla of authority from the States in the exercise of the police powers of the States. The decisions which have been referred to in the debate on this matter, and again I do not wish to appear to be an authority on the decisions cited, seem to have struck down State statutes or actions setting up separate codes of labor relations inconsistent with the Federal code of labor relations. I have not heard any convincing arguments on the floor of the Senate or elsewhere that the court decisions which have been mentioned have interfered with traditional State police powers to protect public health and safety. Indeed, I could not conceive, under our Constitution, of any responsible judge acting to deprive a State of this vital authority for the protection of its people.

I am so opposed to the two suggested amendments—section 16 of the pending bill and the Goldwater amendment—which seek, in the words of their authors, to "spell out" the authority of the States in the exercise of their police powers dealing with labor disputes because under either of these provisions, should they be enacted, a Governor of a State or any State official delegated with such authority, or even an official of a political subdivision of the State, could act in any labor dispute to end such dispute. I do not exaggerate when I use the word "any," for I genuinely believe that the language of either section 16 of the Smith bill or the Goldwater amendment could be interpreted broadly enough to apply to any labor dispute, if it is so desired.

Mr. MORSE. Mr. President, will the Senator from New York yield for a question?

Mr. LEHMAN. I am very glad to yield.

Mr. MORSE. Has the Senator from New York reached the conclusion that the amendment of the Senator from Ari-

zona [Mr. GOLDWATER] has the effect of seeking to enlarge further the delegation of Federal power over interstate commerce?

Mr. LEHMAN. I was not able to hear all of the Senator's question.

Mr. MORSE. I shall repeat it: Has the Senator from New York reached the conclusion that one of the effects of the amendment of the Senator from Arizona [Mr. GOLDWATER] is to enlarge further the delegation of Federal power over interstate commerce?

Mr. LEHMAN. I think there is no doubt that it does. I believe it would give to the State administrations powers over matters relating to interstate commerce which would be unlimited in scope, in effect, and in influence.

Mr. MORSE. Mr. President, will the Senator from New York yield for a further question?

Mr. LEHMAN. I am very glad to yield.

Mr. MORSE. Does the Senator from New York believe that one of the effects of the amendment of the Senator from Arizona will be to create a great many discriminatory practices and policies in the regulation of interstate commerce, through the delegation of authority to the States?

Mr. LEHMAN. It is my belief that if either 1 of the 2 amendments were adopted and enacted into law, there would be no limit upon the power of the governor of a State to affect matters which we now recognize as coming within the jurisdiction of the Federal laws.

Mr. MORSE. Mr. President, will the Senator from New York yield for a further question?

Mr. LEHMAN. I am glad to yield.

Mr. MORSE. Does the Senator from New York agree with me that businessmen—manufacturers and industrialists in all sections of the Nation—are entitled to have assurance of a uniformity of practice in the regulation of interstate commerce, so that their industries will not be subjected to unfair discrimination, or to a different labor policy in one State, as applied to interstate commerce, as compared to that applying in another State?

Mr. LEHMAN. A little later in my remarks I shall call attention to a colloquy I had with the Senator from Arizona [Mr. GOLDWATER], in which I asked him the following question, in effect: Suppose a large company had plants or did business in 43 States. Under the amendment, is it not conceivable or likely or at least possible that in the determination of various question there might be 43 separate and differing opinions and regulations under State jurisdiction?

In answer, the Senator from Arizona very frankly and honestly admitted that what I have said was completely true, namely, that there would be a possibility—although he did not believe it would be a probability—of having 43 different jurisdictions on substantially the same question, thus completely destroying uniformity, and creating confusion which would be endless.

Mr. MORSE. Mr. President, will the Senator from New York yield to me for a further question?

Mr. LEHMAN. I am very glad to yield.

Mr. MORSE. Does the Senator from New York agree with me that any labor legislation Congress may pass, in keeping with the Federal jurisdiction over interstate commerce, should declare a public policy that will be fair to business and industry, as well as labor and the public?

Mr. LEHMAN. I believe the Taft-Hartley Act certainly has not been a perfect one, under any circumstances; and I believe it should be amended in such a way as to dispose of and destroy its inequities and injustices. I believe the pending bill, instead of bringing about closer harmony and a mutuality of interest as between employer and worker, will widen the gap infinitely more and will give cause for added distrust, added dissatisfaction, and added misunderstanding. I believe the pending bill, which has been reported by the distinguished Senator from New Jersey [Mr. SMITH] will do just that, if it is enacted into law.

Mr. MORSE. Mr. President, will the Senator from New York yield to me for a further question?

Mr. LEHMAN. I am glad to yield.

Mr. MORSE. Does the Senator from New York share my opinion that those of us in the Senate who are urging that any amendments to the Taft-Hartley Act be uniform in their application to all business throughout the Nation, under the Federal jurisdiction of matters relating to interstate commerce, are demonstrating our desire to follow a course of action which will result in labor legislation that will be eminently fair to all business, without discrimination?

Mr. LEHMAN. I fully and thoroughly agree with the Senator from Oregon.

Mr. MORSE. Then I ask the Senator from New York to permit me to summarize this discussion in the following question: Do I correctly understand that one of the major objections of the Senator from New York to the amendment of the Senator from Arizona is that the Senator from New York believes it to be an amendment that is not fair to the business interests of the Nation, because the amendment would result, not in uniformity of application of Federal statutes to interstate commerce but in delegation of authority to the States, resulting in a variety of laws, and therefore likely to do injury to some businesses in some sections of the country, and to confer unfair advantages to businesses in other areas of the country?

Mr. LEHMAN. I thank the Senator from Oregon for his very great contribution.

Mr. President, I wish to point out that what is proposed by the amendment of the Senator from Arizona would be bound to lead to injustices, because there would be absolutely no uniformity whatsoever in the rulings or the jurisdiction of the 48 States.

I wish to say further to the Senator from Oregon that what I am saying today on the floor of the Senate is exactly what I have been saying in the committee room for the past many weeks when the bill and the amendments suggested to it by the President were under consideration.

I pointed out that the amendment was a contrived and artificial proposal, not based on sound ground, because under the guise of safeguarding the health and the welfare of the people, it was seeking to do something which already was made possible, and, in fact, was a solemn duty on the part of the governors and administrations of all the States.

I believe it can well be stated that it has never been questioned that the governors of the States have the power to safeguard the health and welfare of the people of the States. This amendment is merely an attempt to obtain additional power for certain States, under the smokescreen of the plea that the amendment is necessary in order to protect and safeguard the health and welfare of the people of the States.

Mr. GOLDWATER. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. I am very glad to yield.

Mr. GOLDWATER. I should like to ask the Senator from New York if the tax laws of the State of New York are the same as the tax laws of the State of New Jersey.

Mr. LEHMAN. Oh, no. I assume not. I do not know the tax laws of either State, as a matter of fact.

Mr. GOLDWATER. Would the Senator assume that the tax laws of New York were the same as the tax laws of California?

Mr. LEHMAN. I assume not.

Mr. GOLDWATER. Would the Senator from New York assume that the regulation of trucking in his State, as regards axle weight, cubic capacity and height, is the same, let us say, as that of Illinois?

Mr. LEHMAN. I am quite certain that it is not. I am perfectly willing, in order to limit the debate, to acknowledge that there are many differences in the laws of the various States.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. GOLDWATER. If the Senator will indulge me for a moment, I should like to ask 1 or 2 additional questions.

Mr. MORSE. I thought the Senator was through.

Mr. GOLDWATER. I should like to ask 1 or 2 further questions along this line.

Is it not true that today businesses in many fields operate in the various States under 48 different sets of laws? We seem to operate very effectively. There is nothing wrong with the operation of our economy, as between the various States.

Mr. LEHMAN. I have no objection whatsoever to the States having their own laws affecting their own citizens, and affecting intrastate relationships. But we are dealing here with interstate relationships, which are very different.

Mr. GOLDWATER. I should like to ask the Senator from New York one further question. Does he consider that the circumstances of the Garner case were fair either to labor or to the management of the Garner concern?

Mr. LEHMAN. I do not think the distinguished Senator from Arizona was present in the Chamber when I made the statement that I was not a consti-

83D CONGRESS
2D SESSION

H. R. 9018

IN THE HOUSE OF REPRESENTATIVES

MAY 5, 1954

Mr. McCORMACK introduced the following bill; which was referred to the Committee on Merchant Marine and Fisheries

A BILL

To further encourage the distribution of fishery products, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 2 of the Act of August 11, 1939 (53 Stat.
4 1411), is hereby amended to read as follows:
5 "SEC. 2. (a) The Secretary of Agriculture shall trans-
6 fer to the Secretary of the Interior each fiscal year, begin-
7 ning with the fiscal year commencing July 1, 1954, from
8 moneys made available to carry out the provisions of section
9 32 of such Act of August 24, 1935, an amount equal to
10 30 per centum of the gross receipts from duties collected
11 under the customs laws on fishery products (including fish,

1 shellfish, mollusks, crustacea, aquatic plants and animals,
2 and any products thereof, including processed and manu-
3 factured products), which shall be maintained in a separate
4 fund and used by the Secretary of the Interior (1) to pro-
5 mote the free flow of domestically produced fishery products
6 in commerce by conducting a fishery educational service
7 and fishery technological, biological, and related research
8 programs, the moneys so transferred to be also available
9 for the purchase or other acquisition, construction, equip-
10 ment, operation, and maintenance of vessels or other facili-
11 ties necessary for conducting research as provided for in
12 this section, and (2) to develop and increase markets for
13 fishery products of domestic origin, and (3) to conduct any
14 biological, technological, or other research pertaining to
15 American fisheries.

16 "(b) For the purposes of this section, any agency of
17 the United States, or any corporation wholly owned by the
18 United States, is authorized to transfer, without reimburse-
19 ment or transfer of funds, any vessels or equipment excess
20 to its needs required by the Secretary of the Interior for the
21 activities, studies, and research authorized herein.

22 "(c) In carrying out the purposes and objectives of
23 this section, the Secretary of the Interior is directed as far
24 as practicable to cooperate with other appropriate agencies
25 of the Federal Government, with State or local governmen-

1 tal agencies, private agencies, organizations, or individuals,
2 having jurisdiction over or an interest in fish or fishery
3 commodities and he is authorized to appoint an advisory
4 committee of the American fisheries industry to advise him
5 in the formulation of policy, rules and regulations pertain-
6 ing to requests for assistance, and other matters.

7 "(d) The Secretary of the Interior is further authorized
8 to retransfer any of the funds made available under this
9 section to the Secretary of Agriculture to be used for the
10 purposes specified in section 1 of this Act, and only such
11 funds as are thus transferred shall be used for the purposes
12 specified in section 1 of this Act with respect to domestically
13 produced fishery products.

14 "(e) The separate fund created for the use of the Sec-
15 retary of the Interior under section 2 (a) of this Act and
16 the annual accruals thereto shall be available until expended,
17 except that the balance of the fund shall not exceed $5,000,-
18 000 at the end of any fiscal year, and the Secretary of the
19 Interior shall retransfer the funds in excess of said $5,000,-
20 000 balance to the Secretary of Agriculture to be used for
21 the purposes specified in section 32 of the Act of 1935 (49
22 Stat. 774; 7 U. S. C. 612c), as amended."

83D CONGRESS
2D SESSION

H. R. 9018

A BILL

To further encourage the distribution of fishery products, and for other purposes.

By Mr. McCormack

May 5, 1954

Referred to the Committee on Merchant Marine and Fisheries

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 14, 1954
For actions of May 13, 1954
83rd-2nd, No. 88

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HIGHLIGHTS: Senate passed emergency farm loans bill. Senate passed Treasury-Post Office appropriation bill. Senate recommitted bill to expedite ICC rate decisions. Senate made surplus-fish bill its unfinished business. House subcommittee voted to report bill to increase excess-tobacco penalty.

SENATE

1. FARM LOANS. Passed with amendments S. 3245, to authorize the Secretary of Agriculture to use $15,000,000 of the Disaster Loan Revolving Fund for emergency loans to farmers and stockmen until Dec. 31, 1954. Agreed to an amendment by Sen. Welker to revise Sec. 2 so as to make loans available to individuals or partnerships actively engaged in farm or ranch operations, limit individual loans to $15,000, limit the total debt of a borrower under this act to $20,000, authorize the Secretary to determine interest rates and other terms and conditions, and require that loans be secured by personal obligation and available security. (pp. 6185-6.)

2. TREASURY-POST OFFICE APPROPRIATION BILL, 1955. Passed with amendments this bill, H. R. 7893. Senate conferees were appointed. (pp. 6163-70, 6174-85.)

3. TRANSPORTATION. Recommitted, 39 to 37, S. 1461, to expedite ICC action upon applications of certain common carriers for rate increases (pp. 6152-63).

4. PUBLIC LANDS. The Interior and Insular Affairs Committee reported without amendment H. R. 6186, granting preference rights to users of withdrawn public lands for grazing purposes when the lands are restored from the withdrawal (S. Rept. 1329), and with amendments H. R. 2512, to extend the privilege of buying certain public lands to business associations, corporations, States, or other governmental subdivisions for home and other sites (S. Rept. 1330)(p. 6148).

5. CIVIL DEFENSE. The Armed Services Committee reported without amendment H. R. 7308, to repeal Sec. 307 of the Federal Civil Defense Act of 1950, which provides for termination of title III (emergency authority) on June 30, 1954 (S. Rept. 1334)(p. 6148).

6. FISHERY PRODUCTS. S. 2802, to earmark Sec. 32 funds for education, publicity, and research in connection with fishery products, was made the unfinished business (p. 6187).

7. GRAIN. Sen. Carlson inserted various resolutions of the Kansas Grain and Feed Dealers Association (p. 6147).

8. VIRGIN ISLANDS. S. 3378, as reported Apr. 29, would revise the Organic Act of the Virgin Islands (S. Rept. 1271). Sec. 30 of the bill amends the Animal Quarantine Act so that cattle which have been infested with or exposed to ticks, but which are now free from them, may be admitted into the Virgin Islands, under such regulations as the Secretary of Agriculture may prescribe. Sec. 31 amends the statute pertaining to poultry quarantine so as to provide that the Secretary of Agriculture cannot issue regulations or take measures with respect to the introduction of live poultry into the Virgin Islands.

HOUSE

9. TOBACCO MARKETING. A subcommittee of the Agriculture Committee voted to report to the full Committee H. R. 8135, to increase the penalty on tobacco marketed in excess of marketing quotas to 50% (now 40%) of the previous year's average price (p. D525).

10. EDUCATION. Passed, 179 to 157, with amendments H. R. 7134, to establish a National Advisory Committee on Education (pp. 6190-201).

11. TRANSPORTATION. House conferees were appointed on H. R. 2236, to provide for a commission to regulate public transportation in the D. C. area (p. 6202). Senate conferees have not been appointed.

12. ADJOURNED until Mon., May 17 (p. 6210). Legislative program for next week, as announced by Majority Leader Halleck: Mon., Consent Calendar; Tues., Private Calendar; and balance of week, various bills (not agricultural)(p. 6201).

BILLS INTRODUCED

13. EDUCATION. S. 3450, by Sen. Clements (for Sen. Burke), to extend for 2 additional years the program of assistance for school construction in Federally affected areas; to Labor and Public Welfare Committee (p. 6148).

14. PERSONNEL. H. R. 9133, by Rep. Becker, "to amend the Classification Act"; to Post Office and Civil Service Committee (p. 6210). Remarks of author (p.A3559).

15. SURPLUS COMMODITIES. H. R. 9141, by Rep. Phillips, to encourage the disposal of surpluses in foreign countries; to Agriculture Committee (p. 6211).

COMMITTEE HEARINGS RELEASED BY GPO

16. HOUSING. S. 2889, S. 2938, and S. 2949, proposed Housing Act of 1954 and amendment for smoke elimination and air pollution prevention. Part 2. S. Banking and Currency Committee.

17. EDUCATION. S. 2723, S. 2724, S. 2856, President's recommendations relating to education. S. Labor and Public Welfare Committee.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, it is not desired to have further bills acted on this evening. However, I wish to have Senate bill 2802, Calendar 1216, to further encourage the distribution of fishery products, made the unfinished business, for consideration tomorrow.

At this point let me say, for the information of the Senate, that after making Senate bill 2802 the unfinished business, and after disposing of the bill, I then propose to have the Senate take up House bill 116, Calendar 1205, the so-called fireworks bill. So the program for Friday will be fish and fireworks. [Laughter.]

When those bills have been disposed of, I hope the Senate will then make the unfinished business, Senate Resolution 234, Calendar 1233, authorizing the Committee on Rules and Administration to make expenditures and employ temporary personnel. Notice has previously been given regarding the prospective consideration of that measure, and the notice appears on page 6083 of the CONGRESSIONAL RECORD.

On Monday, we expect to have a call of the calendar of bills and other measures to which there is no objection, beginning where the last call of the calendar ended. When the calendar call has been completed, we then hope to make the unfinished business, Senate bill 975, Calendar 1190, to amend the Home Owners Loan Act of 1933, as amended—a bill which we had planned to take up this week; but at the request of several Senators—Senators on both sides of the aisle, I believe—we have agreed not to take up the bill until next week.

When those two bills have been disposed of, we then plan to take up Senate Jiont Resolution 53, Calendar 1066, proposing an amendment to the Constitution of the United States to grant to citizens of the United States who have attained the age of 18 the right to vote. Debate on that measure will undoubtedly continue for some time, perhaps for several days.

By that time I hope to have additional measures to call to the attention of the minority leader.

I am also hopeful that next week, before the end of the week, one or more appropriation bills will be ready for consideration.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. Did I correctly understand the Senator from California to say that the program for tomorrow will be "fish and fireworks?" Are any other measures scheduled for consideration tomorrow?

Mr. KNOWLAND. The schedule for tomorrow is "fish and fireworks"; and then it is the hope to have the Senate proceed to consider Senate Resolution 23, Calendar 1233, authorizing the Committee on Rules and Administration to make expenditures and employ temporary personnel. From what I have heard, the discussion of that resolution, following consideration of "fish and fireworks," probably will continue until Monday.

Mr. JOHNSON of Texas. That is Senate Resolution 234, is it not?

Mr KNOWLAND. Yes; the one authorizing the Committee on Rules and Administration to make expenditures and employ temporary personnel. The resolution relates to the subcommittee on privileges and elections, of the Committee on Rules and Administration.

Mr. JOHNSON of Texas. Mr. President, I hope the Senator from California will not have that resolution called up tomorrow, because I must be away, and there is still considerable discussion on this side of the aisle about the resolution.

Mr. KNOWLAND. In that event, the Senator from Texas has my assurance that the resolution will not be called up until following the calendar call on Monday.

So, Mr. President, at the request of the distinguished minority leader, it is now the plan not to have Senate Resolution 234, Calendar 1233, authorizing the Committee on Rules and Administration to make expenditures and employ temporary personnel, taken up until Tuesday, in order to suit the convenience of the minority leader and other members who will be out of town. However, I hope to have the resolution taken up not later than Tuesday.

DISTRIBUTION OF FISHERY PRODUCTS

The PRESIDING OFFICER. The Chair understands that it is desired to have Senate bill 2802 made the unfinished business at this time.

Mr. KNOWLAND. Yes, Mr. President; I now move that the Senate proceed to the consideration of Senate bill 2802, Calendar 1216, the bill relating to the distribution of fishery products.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes, which had been reported from the Committee on the Judiciary with amendments.

RECESS

Mr. KNOWLAND. Mr. President, if there is no further business to come before the Senate at this time, I move that the Senate take a recess until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 17 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 14, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 13, 1954:

DEPARTMENT OF JUSTICE

William F. Tompkins, of New Jersey, to be an Assistant Attorney General, to fill a new position.

UNITED STATES ATTORNEY

Raymond Del Tufo, Jr., of New Jersey, to be United States attorney for the district of New Jersey, vice William F. Tompkins, promoted.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 13, 1954:

UNITED STATES DISTRICT JUDGES

John R. Ross, of Nevada, to be United States district judge for the district of Nevada. (New position.)

Waldo H. Rogers, of New Mexico, to be United States district judge for the district of New Mexico. (New position.)

UNITED STATES COAST GUARD

Rear Adm. Alfred C. Richmond to be Commandant of the United States Coast Guard, with the rank of vice admiral, for a term of 4 years.

Rear Adm. James A. Hirshfield to be Assistant Commandant of the United States Coast Guard, with the rank of rear admiral, for a term of 4 years.

Rear Adm. Kenneth K. Cowart to be Engineer in Chief of the United States Coast Guard, with the rank of rear admiral, for a term of 4 years.

House of Representatives

THURSDAY, MAY 13, 1954

The House met at 12 o'clock noon.

Rev. A. L. Gatewood, First Baptist Church, Columbia, Miss., offered the following prayer:

Our Father, with sincere hearts we express our appreciation for the breath of life we possess this day. Help us to ever be mindful that it is an entrusted possession sustained by Thy kindness and mercy.

We pray, Father, that we may ever be mindful of the great blessing in being a citizen of this country where men are encouraged to attain the maximum in utilization of talents for ministry to mankind. Help us to remember that true democracy cannot exist apart from principles of Christianity.

Bless this body to the extent that they may dedicate themselves to the preservation of principles exalted by our forefathers in laying the foundation for a great country with a great mission to the world.

Father, may we not lay aside initiative and ambition, as individuals or as a nation, for mere sustenance of life, but may we regard every life as having a unique contribution for the world. Help us to achieve our mission in such manner as to have the world say words as expressed concerning David, "He served his own generation according to the will of God." In Jesus name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

THE REPUBLICAN PARTY

(Mrs. CHURCH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CHURCH. Mr. Speaker, I think it fitting to call the attention of the House to the fact that just 100 years ago this week—on May 9, 1854—30 Members of the House of Representatives, led by Congressman Israel Washburne, Jr., of Maine, decided, after full and serious consultation, that a new party was inevitable and agreed upon the name "Republican" as an appropriate title for a party built on the issue of human freedom. Called together at that critical moment to discuss the vital slavery issue, these men laid the foundation within the Congress for hundreds of succeeding Members to stand here proudly under this title, "Republican." I hold that it is proper for us, who today maintain membership in the House under that great name, to pause long enough to pay honor to Congressman Israel Washburne, Jr., of Maine, and his associates who so wisely built not only the title but the program upon which a great party has built a lasting record of achievement.

Previously, at Ripon, Wis., on February 28, 1854, Maj. Alvin E. Bovay, a lawyer and, later, a major during the Civil War, together with a Mr. Bowen and a Mr. Baker, had issued a call for a public meeting to consider the situation caused by the Kansas-Nebraska Act of 1854 to repeal the Missouri Compromise. At this meeting in the Congregational Church in Ripon, Wis., on February 28, 1854, a resolution was passed to the effect that if this legislation should become law, old-party organizations must be disregarded, and a new party, to be called the Republican Party, should be formed, based solely on the issue of opposition to slavery.

At another meeting, held on March 20, 1854, at Ripon, plans were formulated for the extension of the party throughout the country. At that time, the local communities of the Whig and Free Soil Parties were dissolved, and a committee of 5, composed of 3 Whigs, 1 Democrat, and 1 Free Soiler, was chosen to begin the task of formulating the new party.

Following the action taken in Washington on May 9 by Congressman Washburne and others in the House of Representatives, there were a number of local movements, more or less important. The next great step in the organization of the party, and the one usually accorded the privilege of being noted as the actual beginning of the Republican organization, was taken at the State convention at Jackson, Mich., in a grove of oaks, on July 6, 1854. Here the resolutions were adopted almost unanimously, including the words, "We will cooperate and be known as Republicans." On the same date, both a State central committee was chosen, and a State ticket nominated by the committee was unanimously endorsed. Voters in Indiana, Ohio, Wisconsin, and Vermont held conventions to join the Republican Party. Massachusetts held its convention on July 20, 1854.

Enthusiasm for the Republican Party spread quickly but not uniformly throughout the North and West. Allegiance to its principles was won by the slow crystallization of public opinion. Within the space of about 12 months following passage of the Kansas-Nebraska Act, 11 Republican Senators were sent to Washington, and anti-Nebraska majorities were secured in 15 States. One hundred and twenty Members of the House of Representatives from the North were also opposed to the Kansas-Nebraska Act, and in this sense, supported the platform of the Republican Party at that time.

Today, 100 years later, a strong party and a grateful nation hail the foresight of those Members of Congress and those able, freedom-loving citizens who had the courage and the insight to know that there would always be in this country a need for a party dedicated to freedom. The Republican Members in the 83d Congress, carrying in an anxious time the burden of responsible leadership, take this opportunity to express their pride in wearing the honorable label "Republican" and to reaffirm their own faith in the principles on which their party was founded.

CORRECTION OF RECORD

Mr. POLK. Mr. Speaker, in my remarks on page 6075 of the RECORD of Tuesday, May 11, 1954, I explained my absence from the Chamber because of a meeting with the Scioto County (Ohio) Airport Committee, and I take this occasion to ask unanimous consent that the correct spelling of "Scioto County" appear in the permanent RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

TOP SECRETS

(Mr. SIEMINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIEMINSKI. Mr. Speaker, my observation has to do with top-secret clearance. Whether a man is cleared or not cleared, in itself, does not reflect on his loyalty as a citizen.

His right to see classified materials should include a need to see them or to know their contents. If that point is recognized, I feel there will be little concern about documents dealing with citizens and their reputations.

NEED OF CONSTRUCTIVE CRITICISM ON FOREIGN POLICY

(Mr. CELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CELLER. Mr. Speaker, it is the duty of the opposition to checkmate and criticize our foreign policy—not carpingly or cavilingly—but honestly and constructively. Otherwise, errors are condoned and blunders are repeated.

To say that we Democrats must remain silent in the face of Dulles' diplomatic defeat at Geneva is sheer nonsense. James Reston, of the New York

Digest of CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate passed surplus-fish bill. Sen. Langer claimed violation of REA contracts. Senate committee reported independent offices appropriation bill. Sen. Butler (Nebr.) entered motion to reconsider recommittal of bill to expedite ICC rate decisions.

SENATE

1. FISHERY PRODUCTS. Passed with amendments S. 2802, to earmark Sec. 32 funds for education, publicity, and research in connection with fishery products (pp. 6221-37, 6249-55). Agreed to the committee amendments en bloc (p. 6254). Agreed to Sen. Ellender's amendments to limit the bill to a period of 3 years, ending June 30, 1957; to limit the amount which may be used to purchase fish and other seafoods to $1,500,000; to limit the amount of expenditures for the purposes of the bill to 3,000,000 annually; and to require the Secretary of the Interior to report annually to the appropriate committees of Congress on the use of section 32 funds provided by the bill (p. 6254).

2. TRANSPORTATION. Sen. Butler (Nebr.) entered a motion to reconsider the recommittal of S. 1461, to expedite ICC action upon applications of certain common carriers for rate increases (pp. 6248-9).

3. INDEPENDENT OFFICES APPROPRIATION BILL, 1955. The Appropriations Committee reported with amendments this bill, S. 8583 (S. Rept. 1339) (p. 6215). As reported, this bill provides a total of $5,700,729,413, an increase of $134,610,650 over the House-passed figure of $5,566,118,763.

The "Daily Digest" states that on May 13, a subcommittee ordered reported to the Appropriations Committee H. R. 8367, the Army civil functions appropriation bill for 1955 (p. D529).

4. ELECTRIFICATION. Sen. Langer spoke claiming that REA contracts had been violated by the Government, and stating that he would hold hearings to "ascertain exactly what is taking place in the Department of the Interior" in this regard (pp. 6237-40).

The Public Works Committee reported without amendment S. 3090, to authorize the transmission, etc., by the Interior Department of electricity generated at the Falcon Dam (S. Rept. 1340) (p. 6215).

5. FARM LOANS. Received a proposed bill from the Farm Credit Admin. to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures (pp. 6213-4).

6. FOREIGN TRADE. Received a proposed bill from the State Department to provide for an extension on a reciprocal basis of the period of the free entry of Philippine articles into this country (p. 6213).

7. T.V.A. Sen. Gore spoke saying "I would find the reappointment of Mr. Clapp entirely satisfactory" (pp. 6218-9).

8. ST. LAWRENCE SEAWAY. Sen. Wiley inserted a White House press release issued when the President signed the enactment providing for this project, and Sen. Cordon stated that the signing of this "Act... was a milestone" (pp. 6216-7).

9. STATEHOOD. Sen. Smathers inserted telegrams, etc., opposing the delegations in Washington, D. C. supporting statehood for Hawaii and Alaska (pp. 6219-20).

10. MONETARY POLICY. Sen. Humphrey spoke against the Administration's "hard money, tight credit policy," and inserted a newspaper article, "Swift Policy Reversal Restores Easy Money" (p. 6246).

11. PERSONNEL. Sen. Humphrey spoke in favor of pay increases for postal and other Federal employees (pp. 6246-8).

12. RECESSED until Mon., May 17 (p. 6255). Legislative program as announced by Sen. Knowland: Mon., Calendar; and Tues., independent offices appropriation bill (p. 6249).

HOUSE

13. TRAVEL. A subcommittee approved for reporting to the Government Operations Committee H. R. 179, to provide for payment of expenses of return transportation of Federal employees and authorized dependents, but not household effects, from posts of duty outside continental United States (p. D531).

COMMITTEE HEARINGS RELEASED BY GPO

14. APPROPRIATIONS. Military Construction, 1954 (including discussions of use of surplus agricultural commodities to pay for U. S. military bases in Spain and possibility of similar arrangements elsewhere). S. Appropriations Committee.

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COMMITTEE HEARING ANNOUNCEMENTS FOR MAY 17: Overall farm program proposals. H. and S. Agriculture (exec). Southeastern forest-fire compact, expansion of Water Facilities Act, and Farrington nomination to CCC. S. Agriculture (exec).

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 105A.

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Justice, with the request that they be included in the list of names contained in the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

DISTRIBUTION OF FISHERY PRODUCTS

The PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which is S. 2802.

The Senate resumed the consideration of the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes.

Mr. DUFF obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator from Pennsylvania yield so that I may suggest the absence of a quorum? The distinguished Senator from Delaware [Mr. WILLIAMS] stated he would like to be on the floor when the debate opened on the unfinished business.

Mr. DUFF. I yield for that purpose.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Without objection, it is so ordered.

Mr. DUFF. Mr. President, the purpose of this bill, S. 2802, is to earmark 30 percent of the gross receipts from duties collected under the customs laws on fishery products for transfer by the Secretary of Agriculture to the Secretary of the Interior to be maintained as a separate fund. This fund is to be used, first, to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological, and related research programs, the moneys so transferred to be also available for the purchase or other acquisition, construction, equipment, operation, and maintenance of vessels or other facilities necessary for conducting research as provided for in this section——

Mr. AIKEN. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. AIKEN. Did the Senator say the funds would be used for the acquisition of vessels?

Mr. DUFF. Yes. I will repeat my statement if the Senator wishes me to do so.

Mr. AIKEN. No. I did not quite hear the Senator's statement when it was first made. I thank the Senator.

Mr. DUFF. Second, to develop and increase markets for fishery products of domestic origin; and, third, to conduct any biological, technological, or other research pertaining to American fisheries.

By prior legislation, section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended, appropriated and set apart annually in a special fund an amount equal to 30 percent of the annual gross receives from all duties collected under the customs laws. This special fund was to be expended by the Secretary of Agriculture to encourage exportation and domestic consumption of agricultural products. Section 2 (a) of the act of August 11, 1939 (53 Stat. 1411; 15 U. S. C. 713c–2), which would be amended by the bill as reported, authorized the Secretary of Agriculture to transfer to the Secretary of the Interior from the special fund established by the 1935 act, outlined above, $75,000 for use in promoting "the free flow of domestically produced products in commerce by conducting a fishery educational service," and $100,000 to be used by the Secretary of the Interior "to develop and increase markets for fishery products of domestic origin."

The pending bill, insofar as it pertains to the availability and use of funds, is simply an increase in these amounts to an amount equal to 30 percent of the gross receipts from duties collected under the customs laws from the importation of various fishery products. It is no departure from the methods set forth in the original act and, therefore, presents no novel budgetary aspects.

A limitation on the total amount that may accrue in this fund is found in the proviso:

> (e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) and the annual accruals thereto shall be available until expended, except that the balance of the fund shall not exceed $5 million at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said $5 million balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the Act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

DIFFICULT POSITION OF FISHING INDUSTRY

Throughout the United States, our fishing industry is in an increasingly serious and difficult position. An absence of scientific conservation measures, a lack of knowledge upon which to base effective conservation, grossly inadequate research, and, as a result thereof, decreased catches, maladjustments to fluctuations in supply, and a lack of improved techniques have all combined to injure this basic American industry.

Statistics from the Fish and Wildlife Service of the Department of the Interior show that the west coast catch of pilchard—sardines—was 1,147,295,000 pounds as late as 1944. Yet, 9 years later, in 1953, it amounted to only 5 million. In 1944 the catch of Alaska salmon was 393,318,000 pounds. Nine years later, in 1953, it was only 220,276,000 pounds.

In the New England States it is the same story. The 1944 catch of cod was 93,756,000 pounds. Nine years later, in 1953, it was estimated at only 31 million pounds, or less than a third. At Gloucester, Mass., over the last 10-year period mackerel has dropped from a high of 32 million pounds a year to a low of between 2 and 3 million pounds. In the same area the annual catch of ocean perch or red fish has dropped in the past 10 years from 177 million pounds to 88 million pounds a year. In recent years prior to this 10-year period their lands of ocean perch have been 250 million pounds a year. The same is true of shad, salmon, and alewife. The major anadromous fish have been on the decline for years. The decline has been due to overfishing, pollution, and the prevention of fish from reaching their spawning grounds due to the lack of adequate fishways. It would seem reasonable to demand that when a dam blocks off a stream and thereby prevents the yearly migration of fish to their spawning grounds it is the duty of those building the dams, whether by public or private enterprise, to restore these water highways by adequate fish ladders, just as it is the duty and obligation of the various municipalities and industries to clean up the polluted waters which likewise prevent migrations as effectively as do dams and other obstructions.

What is true of the decline of aquatic life in the oceans surrounding us and in the streams flowing into the ocean is equally true of the waters of the Great Lakes.

Claude Ver Duin, a representative of the Federation of Freshwater Fisheries From the Great Lakes Area, has testified that the fisheries of the three upper Great Lakes, namely, Superior, Michigan, and Huron, are faced with the prospect of a complete collapse because of the invasion of the sea lamprey, a vicious marine predator. The sea lampreys, which have their origin along the east coast, have been found in Lake Ontario for a great many years, but in 1931 the first specimen to be noted west of the Welland Canal was discovered in the Detroit River.

During the next 4 years additional specimens were found in Lake Huron and as far west as Lake Michigan, near Milwaukee, Wis. By 1936 these parasites had succeeded in establishing spawning runs in several Lake Huron streams and badly scarred lake trout begin to appear in the commercial catch. By 1940 the catch of lake trout in Lake Huron began to decline, and for the first time less than a million pounds of this species was caught. In a period of 8 years the annual production of lake trout from Lake Huron dropped from its normal average figure of a million and a quarter pounds to a mere 2 tons. There have been no lake trout taken from Lake Huron since 1950.

Nineteen hundred and forty-four was the last year in which the Lake Michigan fishermen produced their average number of lake trout, amounting to approximately 6½ million pounds. Each succeeding year showed marked declines in trout production until 1952, when only 1½ tons were produced from the entire lake. Lake Michigan, like Lake Huron, is now devoid of lake trout, the fish that had always been the backbone of the industry up until the advent of the vicious marine predator, the sea lamprey.

The loss of lake trout to lake fishermen now runs approximately $3½ million a year. The invasion of the Great Lakes by the sea lamprey has so completely upset the balance of nature that new problems are presenting themselves with each passing month.

There is an immediate need for an intensified lamprey-control program. An increased research program which will enable the proper authorities to bring back the lake trout and again establish the balance of nature in the Great Lakes.

COMPETITION OF IMPORTED FISHERY PRODUCTS

The amount of competition which our domestic fishery products industry has to meet from imports of foreign fishery products can be judged best from a study of the gross receipts from duties on fishery products. These gross receipts have increased enormously. In 1940, the total amount was $4,772,428; by 1952, it had increased to $11,982,000, an increase of more than 150 percent during the 12-year period. During the same period the value of fishery imports increased from $40 million to over $200 million.

The domestic industry, in the meantime, by voyaging farther and farther afield at greater and greater expense for every pound of fish caught, has barely managed to hold the share of the market it had at the beginning of the period. It is thus evident that during a period when the domestic fishing industry has been increasingly in need of assistance in meeting competition from abroad, it has been making increasingly large indirect contributions for purposes unrelated to this need. The pending bill is directed at the correction of this plainly unfair situation. Because the industry's difficulties so largely stem from competition by imports, an appropriate source of supplementary funds for research and development is the revenue derived from those same imports. The earmarking of a portion of this revenue, solely from the imports of fish, would go far toward meeting the fishing industry's most urgent research and development needs.

The cost of production in this country is higher than the cost of production abroad. Duties in a measure compensate for this. Still, our domestic industry is not asking at this time for protection through higher tariffs. It is asking Congress for funds for research, so that it may improve its techniques, increase its catches, and lower its own production costs. It can then compete fairly and squarely with foreign producers. The pending bill would go far toward making this goal an attainable one. The amount of funds involved in the bill is a modest price for this Nation to pay in order to revitalize our domestic fisheries industry.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DUFF. I yield.

Mr. AIKEN. The Senator from Pennsylvania does not wish to leave the impression, does he, that at present no funds are available for research in connection with fish?

Mr. DUFF. No. There is $175,000, which is most inadequate, as I shall point out later.

Mr. AIKEN. Is it not a fact that the Department of Interior Appropriation Act for the current fiscal year includes an item of $4,460,000 which is available for this purpose? I think everything which is asked for in the bill which the Senator from Pennsylvania is explaining is already authorized by law. I shall be glad to give the Senator a breakdown of the purposes for which the funds are to be used. Including the $175,000 to which the Senator has referred, the total amount available this year was almost $5 million.

Mr. MAGNUSON. For fisheries?

Mr. AIKEN. Absolutely. It was all available for fisheries research, although I would assume that some of it was used for other purposes.

Mr. MAGNUSON. Who did the research?

Mr. AIKEN. Mr. President, will the Senator from Pennsylvania further yield?

Mr. DUFF. I yield.

Mr. AIKEN. This year the amount available for commercial fisheries research—I do not say that all of it was used for fisheries research—aggregated $4,635,000, consisting of an appropriation of $4,460,000, and transferred funds of $175,000. I do not have the breakdown showing how much of this was actually used for fisheries research, but I do have the budget recommendation showing the breakdown proposed for the coming year.

This coming year the budget recommends that about $3,222,000 of appropriated and transferred funds be used for fisheries research, divided as follows: Branch of Commercial Fisheries, $353,000 for exploratory fishing; $282,000 for technological research; $150,000 for statistics; $43,000 for economics; $280,000 for market news; making a total of $1,108,000 for the Branch of Commercial Fisheries, or $1,283,000 when the $175,000 transferred from the Department of Agriculture is included.

The Branch of Fisheries Biology has had recommended for it this year $1,725,000 for coastal and offshore investigations. In my opinion, that is research. A recommendation has been made for $214,000 for shellfish investigations. Thus a total of $1,939,000 has been recommended by the Bureau of the Budget to be appropriated for the Branch of Fisheries Biology.

The total amount recommended in this year's budget to be available for the activities of these branches is $3,222,000.

The information I have just given came this morning from the Bureau of Fisheries and was compiled by the counsel of the Senate Committee on Agriculture and Forestry.

Mr. MAGNUSON. There is not a Bureau of Fisheries in the Department of Agriculture.

Mr. AIKEN. This was from the Branch of Commercial Fisheries in the Department of the Interior; $4,460,000 was appropriated to it last year.

Mr. MAGNUSON. That was for the Fish and Wildlife Service.

Mr. AIKEN. Yes. This is a breakdown of the part used by the two Branches doing fisheries research.

Mr. MAGNUSON. It was for the Fish and Wildlife Service.

Mr. AIKEN. Other funds have been recommended for game, but they are not in the breakdown I read. The figures I have read pertain to the Branches of Commercial Fisheries and of Fisheries Biology, of the Fish and Wildlife Service.

Mr. DUFF. What was the amount provided last year for research?

Mr. AIKEN. I do not have the breakdown for last year. I have the total available for this current year, which is $4,460,000, part of which I would assume was used for other research. I do not have the breakdown for this year; I have it for the coming year.

Mr. DUFF. As I shall endeavor to point out in my remarks, the exceedingly important point with reference to this problem is research and technological investigation. As I proceed, I shall return to the question raised by the Senator from Vermont. What I wish to emphasize is the necessity for research. We have been assured that insufficient funds are available for that purpose.

Mr. AIKEN. I do not want the impression to be left that $175,000 is all that is available at present.

THE REMEDY

Mr. DUFF. It is a horrible indictment against this Nation, blessed as it has been with vast inland waters, notable in the whole world, that we have permitted our streams to become so defiled by pollution and so tainted that, passing some of our great cities, they are merely thinly diluted sewage. The Potomac River, flowing through the Nation's Capital, is itself a conspicuous and notorious example.

If it were beyond our power to remedy the various situations mentioned, there might be some mitigation for our neglect; but, in the best opinion, a revolutionary change could be effected by proper biological and scientific studies to restore the enormously valuable resources which we have prodigiously wasted, as we have both our timber and our soil.

It is becoming increasingly clear that it is not only imperative to acquire more scientific information about where to catch fish, but also, by the same token, to use the same scientific information so that there may be more fish to catch.

A notable example of the value of scientific research and fishing practice, based upon the knowledge gained from such research, is shown in the halibut fisheries.

Edward W. Allen, Chairman of the International Pacific Halibut Commission, testified that Commission had conducted the most thorough, systematic, and continuous investigation of ocean fisheries that has ever been conducted. The Commission started its scientific investigation of the halibut fishery at a time when that fishery was so depleted that it was hardly worthwhile for the fisherman to undertake to fish for halibut. From that low point the Commission, as a result of technological research, has built up this one type of fishing to the rank of the best stabilized ocean fishery anywhere in the world. At the time of the low point of halibut fishing which I mentioned, when the Commission began its investigations in 1924, almost nothing was known about the life history of the

halibut. Consequently the first thing the Commission set out to do was to gain information as to how the halibut was spawned, where it was spawned, what the life history of the young was, and, carrying it right through, the maturity of the fish and their life expectancy. As a result of such study, every phase of that life history was ascertained. It proved to be a complete revelation.

The whole program was based upon the accurate collection of scientific facts. Then, having the facts, the Commission analyzed the situation to determine what could be done, and it ascertained that if the catch was held down to a figure just slightly under the increased reproduction rate of this fishery, it was possible to gradually build it up.

Having ascertained such facts, regulations were enforced to provide that the reproductive potentialities be constantly kept slightly ahead of the catch. Now it is possible to make a prophecy in advance, within 5 percent, of what poundage will be caught, and thereby keep the reproduction constantly on an expansive and upward trend.

The enforcement of regulations in the halibut industry, based upon valuable scientific research, resulted in a fabulous success. The catch was built up from 43 million pounds in 1931, to an amount in excess of 60 million pounds, by a gradual process.

As to many of our most important food fishes, we are to date as ignorant of their life habits and reproduction as we were of the Halibut prior to the scientific biological study to which I have referred. By applying similar methods of investigation to other fish species, in all probability the same wonderful results which have been secured in the aforementioned conspicuous exploratory study, could be duplicated.

It seems almost unnecessary to point out that if such scientific methods were universally applied, there would result a rounded program with reference to all the commercial fish off our shores.

Research is the remedy indicated for the ills of our domestic fishery products industry. In the extension service programs and land-grant college projects, for example, Congress has recognized the value of extensive research as a necessary and integral part of Federal assistance to products of the soil. Such programs have long since proven their value to American agriculture, and the expenditures which made them possible have been recovered many times in increased revenues.

In view of the extraordinary results obtained in the scientific exploration of the life of the Halibut, such studies could and should be extended to all the commonly caught types of fish everywhere about our shores and in our waters.

For many years, despite the handicap of extremely limited funds, the Department of the Interior has carried out research programs and activities for the benefit of the commercial fisheries, as well as the consumer, which activities could not have been assumed by the industry itself. This is particularly true in the fields of biological and technological studies and marketing. With funds making possible an expansion of the very fine but limited program, there is every reason to believe that such a program would result in remarkable success.

It frequently requires years to obtain a solution to a critical problem, when it could be secured within months with adequate funds. The research now being conducted is but a series of frantic attempts to stem the tide of disaster as new epidemics, like the red tide, break out, or as fishermen in one area after another are left holding empty fish nets. This is not the continuing, well-balanced type of research which our domestic fisheries so urgently need.

The management of the fish harvest for several decades past has fallen below the standards of productivity that have long been established for agriculture and forestry. It is extremely unfortunate that heretofore there has been a failure to provide adequate expenditures for fisheries research and management. That such expenditures are self-liquidating seems to have been entirely overlooked.

Among the needed types of research that should as a bare minimum be included in an integrated, comprehensive program of fishery research, according to industry and Government experts, we find:

First. Biological-oceanographic research, which is necessary for a sound conservation program leading to an optimum annual crop from the sea.

Second. A statistical program necessary for maintenance of authentic records of landings and prices for use of industry and as an aid to the biologist. Market news service is essential in keeping industry informed as to current market conditions.

Third. Exploratory fishing and gear development to discover new fishing grounds and to improve methods of detecting and capturing fish.

Fourth. Technological studies to develop better methods of preserving, processing, distributing, and marketing fish and fishery products. Development of new uses for various species of fish and fish waste is an essential part of this program.

Fifth. Education and market development. This would be a program designed to promote and stimulate wider use of fish.

All these types of research should have been conducted down through the years. If that had been done, it is almost a certainty that our domestic fisheries would be thriving today.

The fishing industry is composed of individuals and small companies which lack the resources necessary to carry on such activities on a long-range basis. It is only by a continuous, long-range program that the kind of results can be secured which were obtained in the halibut fisheries, as was so conspicuously illustrated. The fishing industry markets its products without governmental assistance in the form of price-support programs or other Federal aid. It is significant that this industry has survived without the elaborate economic and technical assistance which has been extended to other basic producers of food. Fishery products are not among the surplus food commodities which are today such a serious problem to agriculture, industry, and government.

Almost all the research work that is being done at present for the Atlantic States Marine Fisheries Commission by the Fish and Wildlife Service is on a Federal-State project basis. Under the pending bill, the Secretary of the Interior will cooperate with the States, which are conducting studies relative to their individual problems, such as pollution, methods of catching, industry problems, conservation measures, and other difficulties peculiar to their particular areas. One thing is certain: Neither the impoverished industry nor the tax-starved States can alone finance the extensive research that must be conducted if our national fisheries are to be preserved and expanded.

THE MEANS TO APPLY THE REMEDY

The pending bill provides, not for an added appropriation, but for a transfer of funds. The fisherman is not seeking price supports or a subsidy. He is only asking that 30 percent of the revenue from imported fishery products be allotted, not to the Department of Agriculture, as at present, but, instead, that the 30 percent be channeled into the Department of the Interior, which means, in practice, into the Fish and Wildlife Service.

The Fish and Wildlife Service is skilled in the various forms of fisheries research, although its funds have always been extremely limited. The funds asked for and provided by this bill fairly and properly belong in that Service, where the revenue from fishery products will be used exclusively for exploring ways and means of harvesting and marketing more and better fishery products for the nutritional benefit of the entire Nation.

If present practices and lack of knowledge are continued, with the vastly increasing population of this Nation, in a few years what was once one of the prides of the American people will gradually diminish to the place where it becomes merely an incident in the national life. It has always been a tenet of the American people that every generation has the obligation to give as good as it gets. This is one conspicuous place where that tenet can be made enormously and permanently effective. In the final analysis, this is a great conservation measure, the kind of measure that has been overdue for generations.

Mr. President, at this point I should like to state for the RECORD, in terms of dollars, the effect of the decline in the rate of the catch of fish in the Great Lakes and along both coasts of the Nation.

In 1944, the catch of sardines on the west coast was 1,147,295,000 pounds. By 1953, that figure was reduced to a mere 5 million pounds. Thus in a 9-year period there was a loss of 1,142,295,000 pounds. On the basis of 10 cents a pound for sardines, the loss would amount, on today's market, to $114 million in 1 year.

In 1944, the catch of Alaskan salmon was 393,318,000 pounds. Nine years later, in 1953, the catch was only 220,276,-

000 pounds. That amounted to a loss of 173,042,000 pounds over the 9-year period. At 60 cents a pound, which is the price for even frozen salmon, the loss would amount to $103 million a year.

In New England, in the cod fishing area, the loss in poundage from 1944 to 1953 has been 62,756,000. At 25 cents a pound, that equals $15,500,000 a year.

In the Gloucester area, where the catch of mackerel has, in 10 years, dropped from 32 million pounds to 3 million pounds, the loss has amounted to 29 million pounds, net, or $2,900,000 a year.

In the Great Lakes area, in 3 of the Great Lakes where the lake trout have been completely exterminated, so far as catching is concerned, the loss of $3,500,000 a year.

So, Mr. President, in the past 9 years, from merely these 5 types of fish, without going into detail as to a number of others, the loss, in terms of dollars, is $238,900,000 a year.

Consequently it must be clear that with a fabulous loss of $238,900,000 a year in fishery products, whatever has been done to alleviate the situation has been utterly inadequate to meet the demands of the crisis that faces the fishing industry.

Mr. BUTLER of Maryland. Mr. President, will the Senator from Pennsylvania yield to me, so that I may make brief remarks in connection with the bill?

The PRESIDING OFFICER (Mr. KUCHEL in the chair). Does the Senator from Pennsylvania yield to the Senator from Maryland?

Mr. DUFF. I yield.

Mr. BUTLER of Maryland. I thank the Senator from Pennsylvania.

Mr. President, as a cosponsor of Senate bill 2802, it is my considered opinion that the bill would provide adequate funds for a much needed, integrated, comprehensive program of fishery research.

The importance of this proposed legislation to the American fishing industry is not subject to exaggeration. Fishing is one of the most important industries in my own State of Maryland, whose fishermen each year bring in vast quantities of the finest crabs, oysters, and fish from the waters of the Chesapeake, its tributaries, and the Atlantic Ocean.

I am acutely aware of the problems of the fisherman, and I am appalled by conditions in this industry resulting from the lack of a comprehensive research program. Throughout the United States the industry faces an ever-worsening situation. The annual output of the great salmon industry of the Northwest has dropped two-thirds in 7 years.

In the last 10 years the mackerel output of New England has dropped from 10 million to a little over 2½ million pounds a year. There has been a marked decline in the seeding of oysters in every section of the country, and outbreaks of disease and attacks by parasites have caused incalculable losses to all forms of fish life. Once profitable fishing grounds have lost their yield, and in recent years fishing for many species has been abandoned. These are but a few examples of the catastrophes which have befallen the American fisherman and caused serious doubt as to the future of this great American industry.

Adequate research is an obvious remedy for these ills. While agriculture and other industries have benefited from scientific and technological advances, only recently has the fisherman sought the knowledge of the marine biologist and other scientists. Fishing in many ways is still carried on by methods like those used hundreds of years ago. Many factors which if known and understood, would contribute to the greater success of the operation, remain obscured among imponderables collectively referred to as "fisherman's luck."

Who is responsible for this deplorable situation? Has the industry been remiss in neglecting research in the past? Obviously not. The fishing industry is composed of many individuals and small companies which lack the resources necessary to carry on coordinated research activities of the proper and essentially broad scope.

I strongly urge the enactment of this proposed legislation. It must be kept in mind that the fishing industry markets its products without Government assistance in the form of subsidies or price supports, nor does the fisherman seek such aid. If the fishing industry is to forge ahead to become a part of our expanding economy of the future; indeed, if it is even to maintain its present position, its knowledge of the seas from which this wealth is mined must be increased, and new processes and marketing techniques must be developed. The meager sum presently available for fishery research is totally inadequate. These funds should be increased, so as to enable this industry to continue to make its important contribution to national prosperity.

Mr. President, I thank the Senator from Pennsylvania for yielding to me.

Mr. STENNIS. Mr. President, will the Senator from Pennsylvania yield to me for a question?

Mr. DUFF. I yield.

Mr. STENNIS. First, I wish to thank the Senator from Pennsylvania for his presentation of a bill which I believe will result in very important legislation.

One of the points raised against the bill is that it will set a precedent in connection with the taking of money from section 32 funds, and transferring it to another and new activity of the Government. Is it not true that there is already a precedent for that? Has not some money in former years been transferred from section 32 funds?

Mr. DUFF. Under the 1935 act, agriculture obtains $300 million from section 32 funds. The method used in that case is exactly the same as the method we propose to have used in connection with providing aid for the purpose of bringing about continuity in the research and investigation of fisheries.

Mr. STENNIS. What is the estimated amount involved under the provisions of the bill?

Mr. DUFF. Approximately $3 million a year. There is also a provision that if at any time the fund in any year or by means of any accrual reaches $5 million, there will be an automatic cut-off and a return of the excess to the section 32 fund.

Mr. STENNIS. That is a very sound provision.

As I understand, research in the fishing industry is to extend entirely around the seacoast, on the Atlantic and the Pacific, as wel as the Gulf of Mexico, and it is not confined to any particular phase.

Mr. DUFF. The Senator is correct. It also includes all the rivers of the United States, which in many instances are extremely important.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DUFF. I yield.

Mr. THYE. Research in the fishing industry is essential from the standpoint of the Great Lakes chain, because in that chain there is a very important fishing industry. Parasites have been destroying some of the fish, and are threatening to destroy a great portion of the fishing industry. That was one reason why I joined as a sponsor of the bill. I felt that we could, with assistance from section 32 funds, make possible a research activity which might very well put an end to some of the inroads parasites have made in our fishing industry.

I fully realize that there are those who are of the opinion that this is a wrong approach; that it is not proper to use section 32 funds for this purpose. However, I recognize that there are imports of fish as well as of other commodities. Therefore, I thought it was proper to use section 32 funds to make possible a little research in the fishing industry.

Mr. DUFF. Under the automatic cut-off of the agricultural provision at $300 million, this year $27 million is being returned to the Treasury. The total figure was $27 million about the $300 million limit. The excess is nine times as much as we are asking in this bill for the purpose of research and investigation of fisheries.

Mr. THYE. The Senator is entirely correct. That was my information a year ago, when I joined as a cosponsor of the bill. My home is at the head of the lakes. It was my interest in the Great Lakes fisheries which led me to become a cosponsor of the bill. We have a very fine industry in our lake fisheries, both in the Great Lakes chain and in other inland waters in the various States.

Mr. DUFF. As I tried to point out, the Fish and Wildlife Service has shown that in the past 10 years there has been a decline of $3,500,000 annually in the catch of only one type of fish in the Great Lakes.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. DUFF. I yield.

Mr. PAYNE. I wonder if my distinguished colleague will not agree with me that, on the basis of the information which was available to the committee, the moneys which have accrued as the result of the duties on fisheries products have increased from a little more than $4,700,000 in 1940 to more than $11,900,000 in 1952.

Mr. DUFF. I think the Senator from Maine is absolutely correct.

Mr. PAYNE. During that same period of time the volume of products which have been imported, in direct competition with our own domestic fisheries, has increased from $40 million to more than $200 million, thus, in many instances, placing our own fisheries at a very serious disadvantage.

Mr. DUFF. That is correct.

Mr. PAYNE. Of course, the Senator from Pennsylvania well knows that, coming from the State of Maine, as I do, I consider this particular measure of great importance to many thousands of our people who depend upon fishing to make it possible to stabilize their economy and to assure a source of livelihood over the years to come.

As the distinguished Senator from Pennsylvania has pointed out, the problems which affect only one of those industries, namely, the sardine industry, have made it practically helpless. Those engaged in that industry are unable to determine exactly what they can look to in the future to furnish an adequate supply of the fish needed to support the great sardine industry. They do not know what has happened in connection with the failure of the fish to appear at a particular time.

Am I not correct in saying that this particular bill would tend to develop technological and research activities which would provide the answers to many of the problems, and enable us to know whether or not we shall be able to depend upon an adequate supply of that particular type of fish, along with many others which are found off the coast of our State, and off the coasts of many other States of the Union? Is it not correct that the bill would tend to place our fisheries industry in such a position that it could not only meet the threat of foreign competition, but provide for the needs of our people, and assure the livelihood of the many thousands of people who are employed in the fisheries industry?

Mr. DUFF. The Senator is correct.

I should like to say one further word to the Senator from Mississippi [Mr. STENNIS]. The question was raised as to whether or not the bill applies to inland fisheries. I think it very definitely does.

During the period when I was Governor of Pennsylvania we were endeavoring to clean up the streams of that State. I remember one instance, involving a study of the biology of water for the purpose of deciding whether or not it was fit for human consumption. We brought down from the mountains about 50 trout and placed them in water which was being furnished for human consumption. About 80 percent of them died in 1 night. So the problem involves not only a biological study from the standpoint of what is good for fish but also what is good for human beings at a time when the great streams are being so thoroughly polluted, to the point where they will not only not support fish life but will not afford a source of potable water, which is necessary to the health and welfare of all the people of the country.

Mr. PAYNE. Mr. President, will the Senator from Pennsylvania yield once more?

Mr. DUFF. I yield.

Mr. PAYNE. I have noticed some interesting figures in connection with a comparison of the amounts spent for research, per ton of food produced, as between fisheries, on the one hand, and agricultural products on the other. I am sure the Senator is well aware of the fact that I am concerned not only with fisheries, but also with the agricultural economy of my region.

On the basis of a comparison of expenditures, am I not correct in saying that it has been computed that, up to 1945—and there is a little reason to believe that the ratio has changed very much since then—the Federal Government was spending, per ton of food produced, in the field of research, experiment, and so forth, 82 cents in the case of fishery products, and $7.04 per ton of food produced in connection with agricultural commodities? I think the Senator will remember that those figures were submitted and made a part of the record at the hearing.

Mr. DUFF. The Senator is correct.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DUFF. I yield.

Mr. MAGNUSON. Adding further to what the distinguished Senator from Maine has pointed out, this year's recommendation in the budget was $86,265,000 for agricultural research. We are all in favor of that. The House increased the amount to $88,258,000. I have no doubt the Senate committee will accept that figure. The figure will run close to $90 million for agriculture. That is perfectly proper. We are for it. All we are asking is a small amount for the important fishing industry.

Mr. PAYNE. Mr. President, will the Senator from Pennsylvania yield further on that point?

Mr. DUFF. I yield.

Mr. PAYNE. Is it not true that as a result of the expenditures which have been made for agricultural research—and we are all in full support of such expenditures; certainly the junior Senator from Maine is—we have been brought to the point where, as a result of scientific methods and technological advances brought about by research activities, we are producing an overabundance in many instances? The fishery industry is on the reverse side of the picture. We need to spend money in that direction, not to get rid of an abundance, but to find out why it is that there is a scarcity of certain products, so that we can perhaps bring about an implementation of production, and make certain that the activities of our fisheries are continued on a sound basis, looking to the future.

Mr. DUFF. In line with what the Senator from Maine has stated, regardless of what has been done for fish and wildlife by technological research, the fact is that definite figures with respect to only five types of fish show that the loss as of today's market is over a quarter of a billion dollars.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DUFF. I yield.

Mr. AIKEN. I wonder whether the Senator can tell us what the advantage is of an indirect appropriation over a direct appropriation for the purpose of conducting fishery research. What is the advantage, instead of making a direct appropriation for fishery research—and I am sure there would be no objection on my part to increasing the amount to whatever may be needed—of having the money appropriated to the Department of Agriculture and then transferred to fisheries?

Mr. DUFF. I may say to the Senator from Vermont that in the case of agriculture the system has been very successful in connection with the funds which have been made available to the Department of Agriculture, and it is our hope that fisheries may likewise be benefited. In other words, what is good for the goose is good for the gander.

Mr. AIKEN. I may say to the Senator from Pennsylvania that if the appropriation to the Department of Agriculture had not been made in the way it was 19 years ago, I would not approve making it that way today. It is an appropriation which does not show up in the appropriation figures each year, and the public is unaware of what the amount is.

Mr. MAGNUSON. Mr. President, will the Senator yield so that I may answer the Senator from Vermont?

Mr. DUFF. I yield.

Mr. MAGNUSON. The advantage is that fishery research may take, in some cases, 3 or 4 years. Such research is a long-time project. The advantage is that we will know there will be available a small amount of money with which to do the research work, instead of having to come to the Committee on Appropriations every year to fight for an appropriation. The same thing is being done for agriculture, and I am all for it.

I am a member of the Committee on Appropriations, and I know how hard it is necessary to fight in order to obtain funds for research. Every year it is necessary for such an item to go through the Bureau of the Budget. The first funds the Brueau cuts off are research funds. That has been done to such an extent that there has been very little fishery research, and the result has been that the whole fishing industry in the United States, which is a big industry and employs a great many persons, is going down and down.

I could read some figures and conclusions that make it very clear unless we start to do something along that line now and inaugurate a long-term program, certain species of fish will completely disappear, and the fishing industry will be seriously damaged.

Mr. DUFF. One conspicuous example of the necessity of continuity is what happened in the halibut fishing industry. It was only through long-time research that a complete change in the halibut situation developed.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DUFF. I yield.

Mr. AIKEN. What advantage is gained by expropriating funds already appropriated to the Department of Agriculture, when over 70 percent of the other receipts from the tariff on fish is completely unencumbered and can be used?

Mr. MAGNUSON. Because the Department of Agriculture is the most niggardly group in the world when it comes to providing money for research. The Department spends more money on insects in my State—which is all right, of course—than it spends on research.

Mr. AIKEN. But 70 percent of the receipts from the tariff on fish is unencumbered in any way. Why do not those who are interested in fisheries research propose to take the money from the 70 percent instead of the 30 percent, which is already appropriated to another purpose?

Mr. DUFF. The answer is that we have been impressed by the success of what agriculture has done, and we are merely following in its train.

Mr. AIKEN. There is now more than 70 percent out in the open, which those interested in fisheries could ask for. Why go after what is already appropriated to another purpose? It is directly contrary to what I thought was the policy of the Senate, namely, to have all appropriations out in the open where people can see them. It is directly contrary to the recommendation of the Hoover Commission, for which Congress appropriated $2 million.

Mr. MAGNUSON. Mr. Hoover was a bad fisherman. Probably that is the explanation.

Mr. AIKEN. But Mr. Hoover knows figures and appropriations pretty well.

Mr. SALTONSTALL. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. SALTONSTALL. Mr. President, I respect the Senator from Vermont. He is an agriculturalist and he is the chairman of the Committee on Agriculture and Forestry. He must fight for agricultural funds. I should like to point out that under section 32, which we are talking about, approximately $300 million is made available to agriculture. In 1954 the Secretary of Agriculture turned back $27 million. In addition to section 32 funds, there is available approximately $30 million each year, which does not have to be appropriated. The Department has that amount of money available, in addition to the section 32 funds, without appropriation. I should like to say to the Senator from Pennsylvania that it occurred to me, as the Senator from Pennsylvania was making his remarks on this subject, that the purpose of section 32 is to protect agriculture from high tariffs and to somewhat equalize conditions for the farmer. Representing an industrial State, I approve of it. However, representing a fishing State, I say the same thing applies to fish. The trouble with fisheries is that the tariffs are too low. If the tariffs were raised a little on fish, the fishing industry would not have to meet some of the problems it now faces. Those interested in fisheries are trying to get funds for biological and technological research so that American fisheries may compete with imports which come into the United States under low tariffs. Am I correct?

Mr. DUFF. The best evidence of the fact that the Senator from Massachusetts is right is the constantly mounting increase in the importation of foreign fishery products.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DUFF. I yield.

Mr. SALTONSTALL. Following out what the Senator from Washington said so ably, there is now available for what we might call commercial fisheries the sum of $2,300,000 for the entire United States. A large portion of that is expended for the tuna-fish industry. What we want to do is to have biological and technological research, which means keeping ships at sea in the Pacific and in the Atlantic, and ascertaining what are the most effective fishing nets and what makes fish grow and where they are and where the shellfish are, and so forth. That cannot be done overnight with an indefinite appropriation.

Mr. DUFF. I believe the best answer is what happened to the halibut-fishing industry. Continuity of research is needed over a long period of time if we are to solve the problem.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DUFF. I yield.

Mr. AIKEN. So that the Senator from Massachusetts will not leave a wrong impression in the RECORD, which may be gathered from his remark that the Department of Agriculture has a surplus of section 32 funds and is turning back a surplus into the general Treasury year after year, I should like to say that that statement is not entirely in accord with the facts. It is true that during the Korean war the Secretary of Agriculture did not spend much of the section 32 funds. It was not necessary to do so. Therefore, the Department accumulated money to the amount of $300 million which is the maximum permitted by law. There were also turned back into the general Treasury, the sums of money which the Senator from Massachusetts mentioned.

However, we are thankful that the Korean war has come to an end. That is not the picture today. We have had a drought in the West and we have had to engage in an extensive beef-buying program, which cost almost $100 million. had it not been for the fact that there was $300 million in the revolving fund and $170 million in new receipts we could not have pursued that large beef-buying program.

This year we are spending approximately $56 million more than the amount of section 32 funds acquired from current receipts.

Therefore, the revolving fund, which a year ago amounted to $300 million, will be about $244 million on July 1. If it drops any lower, and we should wish to undertake another beef-buying program—and there is talk of it, because we expect very heavy culling of dairy herds this fall—such a program will be out of the question. It is necessary to keep the fund up; otherwise, we cannot undertake a program of any size.

Mr. MAGNUSON. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. MAGNUSON. Does the Senator from Vermont think that $3 million will stop the beef-buying program? We spent 10 times that much for the eradication of the hoof-and-mouth disease.

Mr. AIKEN. The Department is not turning back funds. It has used up $56 million of the revolving fund, and if it continues to do that for several more years, $4 million will look like a great deal of money.

Mr. SALTONSTALL. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. SALTONSTALL. I should like to point out to my friend from Vermont that there are permanent and indefinite appropriations which continue right along. As shown in the report on the appropriation bill for this year, at pages 22 and 23, general and special funds for the Department of the Interior, number 35. So, in the Interior Department at this time there are 35 permanent and indefinite appropriations. One of them provides for Federal aid in reference to wildlife restoration, amounting to $11 million. We do not object to that, but we are asking for only about $3 million for research for commercial fisheries which employ 550,000 persons.

Mr. AIKEN. At the beginning of the statement of the Senator from Pennsylvania he made reference to the fact that money was needed for the purpose of outfitting boats.

Mr. DUFF. If there is to be any oceanic research, funds must be made available, and we are endeavoring to provide the funds by the provisions of the pending bill.

Mr. PASTORE. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. PASTORE. I know the distinguished Senator from Pennsylvania has emphasized his point, but I think it deserves reemphasis. We are not asking for any part of the general customs collections on all importations. Our request is confined strictly to 30 percent of the duties collected on fishery imports.

Mr. DUFF. That is correct.

Mr. PASTORE. We hear much about agriculture. I have been a Member of this body for 4 years and I have constantly been reminded of the plight of the farmer, and I have been willing to help the farmer and have supported all farm legislation, but it strikes me that every time the word "agriculture" is mentioned in this body it is like mentioning the sacred cow. There are other people in distress. There are fishermen in my section of the country who are out of work. All we want is 30 percent of the imports collected on fisheries alone, which is now being spent for agricultural research, to be used for the development of fisheries research. For the life of me, I can not understand the opposition to this proposed legislation on the part of the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. AIKEN. I recognize the justice of the contention of the Senator from Rhode Island that the fisheries industry is entitled to consideration, but I

still have to get a satisfactory answer as to why this program cannot stand on its own feet and have a direct appropriation, instead of taking money from the poultry grower, the wheat grower, and many other persons who will be out of funds in a couple more years, at the rate we are now going.

Mr. PASTORE. We are not taking a single penny from the wheat growers, the turkey growers, or the chicken growers. If we adopt the philosophy that is being enunciated on the floor today by the distinguished Senator from Vermont, that the program should stand on its own feet, we shall destroy the very philosophy that brought section 32 into being in the 1935 act. We argued then that the money was needed for research, and we took 30 percent of all the duties collected on imports and devoted it to agriculture. We allocated only $175,000 for fishery research. All we are now asking is that we be given a fair share of the duties collected on imports of fishery products for an industry which is in serious distress today. That, to me, is equity and justice.

Mr. KENNEDY. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. KENNEDY. I would say, in answer to the Senator from Vermont, that some time ago an amendment was adopted providing that $1,500,000 could be spent annually to aid the fishing industry. None of that money has been spent since 1940. In other words, the fishing industry has been piling up an equity of more than $1.5 million per year since 1940, and has received none of it. Therefore, we have a definite right to the expenditure of some of that money for a purpose most appropriate to the fishing industry, namely, research. If the fishing industry needed money for the purchase of surpluses, I am sure the Senator from Vermont would agree to that. But we do not need the money for the purchase of surpluses. We need it for research.

Mr. DUFF. The Senator from Massachusetts is correct.

Mr. AIKEN. Mr. President, will the Senator from Pennsylvania yield?

Mr. DUFF. I yield.

Mr. AIKEN. I realize that $1½ million of section 32 funds are earmarked for the removal of surplus fisheries products from the market, but since the time that law was enacted, in 1938, there have been such small surpluses that it has been necessary to spend only $1,600,000 over the entire period. The fishing industry has been, during most of those years, highly prosperous, because it has had no surpluses. The testimony in the hearings indicates that up until very recently the industry has been highly prosperous, and there has been no need to spend the $1½ million to aid it. The money was appropriated for exactly the same purpose as were section 32 funds which were made available for the removal from the market of surplus fruits, vegetables, livestock products, and commodities of that kind.

Mr. KENNEDY. Mr. President, will the Senator from Pennsylvania yield further?

Mr. DUFF. I yield.

Mr. KENNEDY. There are two answers to the statement of the Senator from Vermont. The first one is that we recognized in 1938, when the $1,500,000 was appropriated, that the fishing industry had an equity in section 32 funds. It is of no practical value to the fishing industry that money may be spent for the removal of surpluses, but it is useful to spend such funds for research. It is surprising to me that the Senator from Vermont objects to the use of the funds merely because the fishing industry wants the money to be spent for research.

Mr. AIKEN. The funds were appropriated to agriculture to be used for the removal of surpluses from the market and also to subsidize foreign exports to develop markets which did not then exist. The money which agriculture has for research work is a direct appropriation. I am somewhat surprised at the statement of the junior Senator from Massachusetts, who has long been a champion of the campaign against hidden subsidies. I wish he would be equally assiduous in leading a campaign against hidden appropriations.

As I have said repeatedly on the floor this afternoon, if section 32 funds were not already earmarked in the way they are, I would oppose establishig a fund in that manner to dispose of surplus agricultural commodities.

Mr. KENNEDY. I do not want the funds to be hidden. The $1,500,000 fund for the relief of the fishing industry has been hidden, because the Agriculture Department has never made use of that money. The fishing industry has never been troubled seriously with the problem of surplus fish. Our problems of scarcity of fish and the need to develop greater markets can be met by the appropriation of additional money for research. The fishing industry already has an equity in section 32 funds and the problems of the fishing industry can be best met by making that money available for research. The Senator makes the point that there is a difference between money being spent for disposing of surplus fishery products and money being spent for research.

Mr. AIKEN. I make the point, and the point is clearly delineated, that in the case of agricultural appropriations there is a fund set up for the removal of surpluses. But the fund used for research work is a direct appropriation. Both of them should be direct appropriations; unfortunately one of them is not.

Mr. KENNEDY. I do not think the Senator's answer goes to the substance of the problem. We want to help the fishing industry. It will be of no help to purchase surplus fish. What is needed is money for research. We should be looking at the need, not, particularly, at what happens to be the language of the act. As I have already stated, whatever money comes from duties on the fishing industry, should be authorized to be expended for research to aid the fishing industry.

Mr. DUFF. Mr. President, before I yield the floor, I should like to conclude by saying that whatever has been done for the fishing industry has been utterly inadequate, by reason of the fact that in the past 9 years, with respect to merely five species of fish, there has been a loss of more than a quarter of a billion dollars.

Mr. MAGNUSON. Mr. President, I wish to associate myself with the able statement of the distinguished Senator from Pennsylvania. I am certain that all of us who have a direct geographical interest in the matter are appreciative of the capable way in which he handled the hearings on this very important question.

I appreciate the argument made by the Senator from Vermont [Mr. AIKEN], but I think the fact should not be forgotten that the fishing industry is in dire need of the kind of research the bill provides. Later I wish to place in the RECORD some items not mentioned, but more directly associated with the Pacific coast, in connection with the depletion of fish runs in many species, and with respect to the serious economic plight of the fishing industry.

Pilchers, which were an important part of the fishing industry on the west coast, and furnished fertilizer for many farmers, have completely disappeared. I cannot state the number of fishermen who are out of work or the number of boats which are tied up. We do not want any direct help in the way of subsidies. We do not want to worry about surpluses. Agricultural surpluses and fish surpluses are entirely different matters. It is necessary to catch the fish. If the fish are gone, there will be no surpluses. I think the two situations are entirely different.

Those who are engaged in the industry, both fishermen and operators, and those engaged in research, think that what the industry needs is, at least, a long term, planned type of research, which might do much to help the American fishing industry to survive, in the face of constantly increasing imports.

We have not yet heard from Japan in the matter. I know from past experience what the volume of imports from Japan will be when once the Japanese fishing industry begins to operate again.

It has been a matter of great concern to many persons, especially in the coastal States, and particularly the New England States and the Gulf States, with special reference to the State of Maine, with its shell fish, that they might be able to receive an amount of money comparable to that used in other lines of research, so that their fisheries could have the benefit.

The best example was mentioned by the Senator from Pennsylvania [Mr. DUFF], when he referred to the halibut run in the North Pacific. About 13 or 14 years ago, halibut was completely depleted. With a small fund, a Halibut Commission was established in conjunction with Canada. As a result of a wise conservation and research plan, halibut runs are now back at a peak. That is what it is thought can be done with many of the species which are now disappearing, for one reason or another, from the fishing grounds of the Nation.

Mr. KENNEDY. I think the report of the Senator from Pennsylvania illus-

trated clearly how beneficial research could be in every section of the country. Most of the owners are operating on a rather slim margin of profit, and really are not in a position, except in the case of halibut, to undertake research by themselves.

If we could undertake research, perhaps working together, something could be done to preserve the harvest of the sea, which is being depleted in so many sections of the country.

Mr. MAGNUSON. I also wish to point out to the Senator from Minnesota that this is not only a Federal expenditure. The State governments and the industry itself, as well as some of the international commissions, in conjunction with States that face the sea and have a large fisheries industry are working to the utmost of their ability to join in the research problems. I specifically asked every witness about the activities of the State universities in connection with fisheries and game developments, and the responses were that they were all most helpful.

We have in the State of Washington one of the largest fishing industries of the Nation, and it has correlated its research program with that of the Federal Government. I think that by this means we may be able to accomplish even more good.

Mr. KENNEDY. It would be most appropriate to have this money come from duties on the imports of fish since imports have saused the serious problem. It is comparable to an innoculation against disease. By a small innoculation, a person can become immunized against contracting the disease in its serious form. We would be taking a part of the duty on the imports of fish which cause the serious trouble, and would be adding to the research. Thus, in a most appropriate way, we would be helping the fishing industry.

Mr. MAGNUSON. I thank the Senator from Massachusetts for having stated the problem so well. I know of his deep interest in the matter.

Mr. President, I desire to place in the RECORD figures which indicate, I think, that both the Senator from Vermont and I are partially right. We are advised by the Fish and Wildlife Service that for the fiscal year 1955 the Service will have $3,222,000 for the purposes covered in S. 2802.

Mr. AIKEN. That is the figure I have.

Mr. MAGNUSON. The figure of $4 million in the appropriation for the entire Fish and Wildlife Service includes, of course, wildlife research and fisheries activities not covered by the bill. It is the entire amount of the appropriation. I think the RECORD should be made clear.

Mr. AIKEN. I am certain that the Senator from Washington and I can agree on those figures.

AMERICAN FISHERMEN AND FREE TRADE

Mr. MALONE. Mr. President, I have been very much interested in the debate on the fishing industry. But if Senators who are interested in the fishing industry are not careful, they will have more fish on their hands than they can sell under the free-trade program without any plans to enlarge the production.

The hearings on Senate bill 2802—a bill to further encourage the distribution of fishery products, and for other purposes—contains some very pertinent information.

Page 21 of the hearings seems to be a very fine description of the fishing industry, and we find, under the heading "Foreign Competition," the following:

> Foreign competition is not a new problem for the New England fisheries. New England lost its salt-fish trade to Canada and other northern countries before the First World War. New England interests have continuously had a tariff-conscious attitude. Wartime and postwar developments, however, have made the challenge from foreign fisheries more acute.
>
> Tariff regulations have protected fillets ever since they became a major fishing product. Under the Tariff Act of 1922 the import duty on all fillets was 2.5 cents a pound. The Tariff Act of 1930 continued that rate until the second trade agreement with Canada, effective January 1939.

It was under the 1934 Trade Agreements Act that the constitutional responsibility of Congress, the legislative branch of the Government, was transferred to the Executive to regulate duties, imposts, and excises, meaning tariffs and import fees. Since that time the Executive, meaning the State Department, has been busily engaged in trading off industry after industry, with no thought of the foreign low-wage competition, and is simply giving every nation a piece of the American market through so-called trade agreements.

At this point I wish to say that the act passed in 1934, and has been renewed every 3 years until 1951, when it was renewed for 2 years—and last year it was extended for 1 year, and will now expire on midnight of June 12 this year. If it is not renewed, I say to the Senators who are interested in the fishing business, "You will be back in business," since the Tariff Commission will then fix the tariff on the basis of fair and free competition.

UNITED STATES FISHERIES SUFFER

If it is renewed for 3 years, as the Randall Commission recommends, and a bill on the subject has been introduced in the House by ROBERT W. KEAN, of New Jersey, then the question of research for new fish will be the least of your troubles. It is H. R. 8860.

Continuing to read from page 21 of the hearing:

> The Tariff Act of 1930 continued that rate until the second trade agreement with Canada, effective January 1939, reduced the duty on groundfish fillets to 1.875 cents a pound. The reduced rates applied to annual imports of 15 million pounds or 15 percent of the average annual United States consumption of fillets in the 3 preceding years, whichever was the greater. Imports of groundfish fillets in excess of the quota and imports of all other fillets remained subject to duty at 2.5 cents a pound.
>
> An indication of the potential threat to New England interests from foreign fillet producers came in 1939. Imports rose 64 percent above the 1938 level. The largest New England filleting concern made an unsuccessful attempt to establish a new plant in Newfoundland and ship fillets into the United States duty free. It failed only because Congress redefined "American Fishery" to make the products of such a venture subject to the American tariff. These events not only emphasized the importance of the tariff for the maintenance of New England's position under existing cost and market conditions, they also made clear the potentialities in the development of fresh- and frozen-fish facilities in the countries to the north.

SUBSIDIES HELP FOREIGN FISHING FLEETS

Mr. President, the report continues on page 22:

> Two developments during World War II transformed those potentialities to realities by 1946. Filleting and freezing facilities were expanded greatly in Canada, Iceland, and other northern nations to provide food fish for the Allies. Liberal governmental subsidies helped their fishing fleets to grow. Moreover, price inflation cut the ad valorem equivalent of the American tariff from a level of 24.7 percent in 1939 to 9.3 percent in 1946.

IMPORTS FLOOD MARKET

In other words, without any actual cut in the tariff, inflation itself cut the tariff to that extent. Of course, the statement is absolutely correct. I continue to read:

> Foreign producers rushed to take advantage of the favorable situation. Imports of groundfish fillets alone were five and a half times as large in 1948 as they had been in 1940.
>
> Thoroughly alarmed by the flood of postwar imports, representatives of the New England industry have visited regularly in Washington to seek greater protection. Interests in the industry which have never seen eye to eye on any other problem have pooled their resources to try to set an import quota on foreign fillets of about 43 million pounds annually. So far their efforts have succeeded only in maintaining present restrictions from further cuts under reciprocal trade agreements.

Mr. President, the words "reciprocal trade" comprise a catch phrase invented to sugar-coat the 1934 Trade Agreements Act, and invented to sell free trade to the American people. The words "reciprocal trade" do not occur in the act.

I continue to read:

> The evidence which they have presented to congressional committees, however, shows the vulnerability of the New England industry.

Skipping over some of the same kind of information and going to page 27 of the same hearing, I come to a subheading, "How To Meet Foreign Competition." I am adverting to this because it is an inline with what I am about to say in my address to the Senate on other industries. The fishing industry is not an isolated industry. There are 500 more industries threatened.

FIVE HUNDRED HURT INDUSTRIES

There are many other industries affected in the same way, such as the textile, tool, watch, crockery, mineral, wool, and 500 other industries. However, under the subterfuge which exists in Washington, we call it a reciprocal trade act.

CONSTITUTIONALITY OF ACT QUESTIONED

Most persons think that 1934 act is unconstitutional because it transfers a constitutional responsibility of the Congress to the executive branch of government.

Article I, section 8, of the Constitution specifies that the legislative branch of

the Government shall set duties, imposts, and excises, which we call tariff and import fees, and shall regulate foreign trade. Under the Trade Agreements Act of 1934, that legislative responsibility was transferred bodily to the Executive. That is sailing under the false pretenses of a so-called reciprocal trade act. As the junior Senator from Nevada has said many times, the two words "reciprocal trade" do not occur in the act. The trade is not reciprocal, and was not intended to be.

I read now from page 27 of the hearing:

HOW TO MEET FOREIGN COMPETITION

The New England fishing industry has become increasingly alarmed at the rise in imports of fish.

IMPORTS INCREASE

I am reading from the hearing held on April 1, 1954, on Senate bill 2802.

I continue to read:

Imports provided only 4 percent of United States consumption of fresh and frozen fish in 1931; they accounted for 23 percent in 1948.

Canada, Iceland, and the other northern maritime countries plan to step up their exports to the United States still further. The Canadian Provincial governments also hope to expedite the northern movement of the fishing industry by granting liberal mortgage loans and fishing-vessel subsidies. Two of the larger New England concerns which already have interests in the Maritime Provinces have initiated or plan substantial expansion of their Canadian operations.

New England interests have petitioned the Federal Government to impose a limit of 43 million pounds annually on imports of foreign fillets. They considered that request more desirable than an appeal for a higher tariff because import duties could not provide effective protection unless the present rates were raised 150 percent. An increase of that amount would merely restore the ad valorem effectiveness of the pre-World War II tariff, when fish prices were about 60 percent less than they are today.

Mr. President, an increase of 150 percent would not be enough to overcome the difference between wages paid in this country and those paid in some of the countries which are in competition with the United States.

JAPAN'S FISHERIES NEW THREAT

In Japan, for example, which is in competition with the west coast of this country, the rate of wages paid is 12 to 14 cents an hour. An increase of 150 percent in the duties would not result in comparable costs. Why should the difference in wages not be reflected in the tariffs, or "duties," as they are called in the Constitution of the United States

I read further from page 27 of the hearing:

After extensive congressional hearings last year, the United States Departments of State and Commerce and the United States Tariff Commission recommended that the fishing industry's plea be denied. They pointed out that quantitative restrictions on fish imports would run counter to the country's reciprocal trade policy of encouraging imports to alleviate the "dollar shortage."

DOLLAR SHORTAGE HITS UNITED STATES TAXPAYERS

The only dollar shortage there has ever been is the American taxpayer's dollar shortage. That is shorter than it has ever been, and we have not begun to see the beginning of it.

Reading further:

They noted that fish concessions were among the most important given to Canada, the nation which would be affected most severely by the imposition of fish quotas. Canada would be entitled to compensatory withdrawals if import quotas for fish were adopted. Since Canada is the most important export market for United States products in general, withdrawal of Canadian concessions might have a seriously adverse effect on our whole export trade.

Mr. President, this protection is needed, not only for the New England fishing industry, but also for the sardine industry, the shrimp industry, and all the commercial fisheries, as the facts set forth in the report so clearly show. Protection is needed in order to offset the low wages, the lack of taxes, and the other low costs of doing business in foreign countries, in just the same manner as other industries need protection. In that connection, a general policy has been established, and I shall describe it in more detail in the course of my remarks.

SCISSORS INDUSTRY DENIED RELIEF

Only yesterday the President of the United States refused to grant tariff protection to the scissors industry, a part of the cutlery industry, with respect to which the difference between the wages paid in the United States and those paid in the countries that are the source of scissors imports into the United States is so marked.

GIVE AMERICAN PRODUCERS EQUAL ACCESS TO AMERICAN MARKETS

Mr. President, the State Department is now preparing for a ninth go-around of trade concessions and give-aways to low-wage foreign countries, based upon the 1934 Trade Agreements Act, under which the executive branch of the Government exercises the constitutional responsibility of the legislative branch to regulate the domestic economy, through the adjustment of the duties, excises, and imposts we have been calling tariffs and import fees. The State Department is doing that, despite the following facts:

First, American industries today are reeling from the effects of past State Department "sell-outs" to the advantage of foreign factories and the sweatshop labor of foreign countries.

Second, employment in American industries subject to the impact of foreign competition continues to plunge downward.

Third, the Trade Agreements Act of 1934, under which the State Department assumes powers to pamper foreign industries and to purge American payrolls and American industries from this Nation's industrial map, will expire on June 12 of this year.

GIVE UNITED STATES INDUSTRY EQUAL ACCESS TO AMERICAN MARKETS

Mr. President, the responsibility for the regulation of the Nation's economy will revert to Congress, in accordance with the Constitution of the United States, on June 12, at midnight, if the Congress simply declines to take action on that subject. In that event, Congress again will be the regulator of the national economy, as the Constitution provides that Congress must. Upon the expiration of that act, the Tariff Commission, an agent of the Congress, will be charged with the adjustment of duties and tariffs on the basis of fair and reasonable competition, and to give American producers equal access to the American market. Is that asking too much, Mr. President?

Mr. President, our State Department is working on a new international trade shuffle scheduled for October, 4 months after the authority of the executive branch to put our economy and our industries on foreign auction blocks is due to end. The State Department's plans for another round of trade-aways continue, nevertheless, while thousands of industrial employees are thrown out of work in our own mills and plants, the victims of a giveaway foreign trade program; and while investments in American industries are being further threatened.

TEXTILE PAYROLLS DOWN 128,200

Textile mills, for example, dropped 128,200 production workers from their payrolls between April 1953 and April of this year. Eight thousand seven hundred lost their jobs last month. Meanwhile, textile imports pour in from abroad; and the State Department advocates further tariff cuts.

WE STORE AMERICAN PRODUCTS WHILE IMPORTING GOODS FROM ABROAD

Mr. President, I have listened with much interest to the debate on the question of establishing a fund for research and investigation in connection with the fishing industry. We are now stabilizing the production of commodities in foreign countries, through our free-trade agreements. Butter is being imported from Belgium and the Low Countries. Barley, wheat, and other grains are being imported from Canada, and are being purchased by the United States, by means of appropriations made by Congress; and then those commodities are placed in cribs. At present we have in storage three entire crops of corn and wheat. We have storage bins lined up, almost like Brown's cows, all the way from western Kansas to the Pacific coast; and, at the same time, hungry cattle and sheep are to be found all the way from Kansas to the Pacific coast, because at present prices it is not possible to feed that corn and wheat to them.

BARLEY, RYE IMPORTS GROW

Mr. LANGER. Mr. President, will the Senator from Nevada yield to me?

The PRESIDING OFFICER (Mr. BARRETT in the chair). Does the Senator from Nevada yield to the Senator from North Dakota?

Mr. MALONE. I yield.

Mr. LANGER. I know the Senator from Nevada will be interested in the official figures in regard to barley and rye. In 1953, from July 1 to December 30, we imported 11,512,000 bushels. In 1952, during the same months, we imported only 1,304,000 bushels. So in 1953, we imported 10 times as much as we did in 1952, despite the fact that the farmers of the United States by an overwhelm-

ing vote decided to limit the acreage quotas on wheat, with the result that a great many additional acres were planted in rye.

Let me add that we tried desperately to get the President of the United States to keep out the foreign products. It was not until a few weeks ago that we were able to have any action at all taken in that connection.

During the same period of time the United States imported 21,761,000 bushels of barley. Naturally, the farmers of the Northwest, having excess land because of the acreage limitations on wheat, are going to raise more barley this year than they have ever raised before. The result will be that the Commodity Credit Corporation will have a terrific loss.

I desire to compliment my friend, the Senator from Nevada, for his remarks. We have discussed this matter before. I wish to compliment him for bringing it again to the attention of the Senate.

Mr. MALONE. Mr. President, I wish to ask a question of the distinguished Senator from North Dakota: Does he believe that if the Congress decides not to renew or extend the 1934 Trade Agreements Act, called the Reciprocal Trade Act—a catch phrase used in order "to sell" free trade to the American people and make it sound nice—the constitutional responsibility of Congress will revert to the Tariff Commission, an agency of Congress. The Tariff Commission will then, in accordance with the law, set the tariffs and will determine them on the basis of the difference between the cost of production in the United States and the cost of production in the countries of the foreign producers. The Tariff Commission will establish that differential on the basis of fair and reasonable competition. Does not the Senator from North Dakota believe that will be the fair and reasonable thing to do?

Mr. LANGER. Yes. It seems to me that will meet the situation.

Mr. MALONE. I thank the Senator from North Dakota.

Mr. President, the difficulties facing agriculture and fishing constitute only one phase of the problem, for similar difficulties confront the production of minerals, the textile industry, and virtually all other manufacturing industries in the United States. They are reflected in official figures of employment declines in many important industries.

JOBS GO AS IMPORTS POUR IN

Hit by imports, the apparel and finished textile products industries dropped 62,700 production workers between April 1953 and April of this year.

Electric machinery payrolls are down 136,000 while the Department of the Interior and the Corps of Army Engineers spend millions of taxpayers' dollars on foreign electrical equipment to be used at Government power projects, also paid for by the taxpayers.

Ordnance and accessories employment has dropped 51,400, while the Randall Commission's majority report recommends greater defense procurement from foreign factories.

Seventy-one thousand one hundred lumber and wood workers have been thrown out of work, while ships from foreign countries bring in vast quantities of foreign lumber, plywood, hardboard, and other forest products.

The primary metal industry is down 161,300 employees since April 1953, according to the latest Department of Labor report on employment.

Employment in the stone, clay, and glass industries has slipped 35,400 in the same period; chemicals, 33,300; leather and leather products, 28,700; instruments, 21,300; fabricated metal products other than ordnance, machinery, and transportation, 119,300; and machinery, except electrical, 162,000.

Each of these industries is forced to compete with imports from low-wage foreign countries subsidized by millions or billions in American aid.

MORE JOBS THREATENED

Proposals of the free-trade clique within and without the State Department and of Clarence B. Randall, chairman of the so-called Randall Commission and promulgator of the Randall report, would give these imports, which are throwing thousands of Americans out of work, greater and easier access to our markets.

Mr. Randall, I am informed, is heading up the "interagency work" in preparation for the ninth round of trade concessions I referred to at the beginning of my remarks.

Mr. Samuel C. Waugh, an erstwhile banker serving currently as Assistant Secretary of State for Economic Affairs, is directing the State Department's participation in the program or scheme.

The up-coming go-around of giveaways will, if it occurs, be the ninth session of the so-called contracting parties to the General Agreement on Tariffs and Trade, better known at GATT, an international socialistic creation that never has been approved by Congress.

In fact this so-called agreement has never been presented to the Congress by our State Department and, in the opinion of the junior Senator from Nevada it is very questionable whether the United States of America is a contracting party at all.

Nevertheless, our State Department, at eight previous GATT sessions has stripped many basic American industries of essential protection against cut-rate, subsidized foreign competition, with the result that today these industries have their backs to the wall, and thousands of their former workers are jobless. A ninth session might, of course, finish them off entirely, turning their jobs and business over to favored foreigners.

RESTORE STATE DEPARTMENT TO PROPER FUNCTIONS

For the sake of America's 93 distressed areas, scores of depressed industries, and several million unemployed production workers, the junior Senator from Nevada hopes that no ninth GATT session takes place. GATT is simply no good for American industry, labor, and economy; and the record shows it.

Expiration of the Trade Agreements Act on June 12, 1954, would relieve the present administration of any excuse for a ninth session at which, as in past sessions, American payroll and investments could, and doubtless would, be sacrificed.

With expiration of the Trade Agreements Act of 1934 our Government would then revert to the Tariff Act of 1930, under which tariffs would be adjusted on the basis of fair and reasonable competition with the principal competing country, restoring American production and payrolls, and giving to the American workmen and the American producer equal access to the American market.

Such adjustments would be made by the United States Tariff Commission, an agency of Congress, not by the State Department, a political agency concerned primarily with international interests and unfamiliar with American industries and economy. Both the State Department and the American people would thereby profit.

Relieved of its economic chores, to which it is so obviously unsuited, the State Department could then concentrate on its proper diplomatic problems and perhaps, would deal with them more effectively than it has been dealing with them the past 20 tragic years of wars or preparation for wars, resulting from our fumbling foreign policy.

FREETRADERS SACRIFICE ECONOMY TO FOREIGN INTERESTS

During a prior administration, Mr. Acheson and his deputy testified many times before Senate committees that it was impossible to separate the foreign policy from the domestic economy, and therefore that it was necessary then to make certain trades—to trade the markets of the American worker and the American producer for political concessions. But they were talking on the basis of the 1934 Trade Agreements Act, which placed in the executive—meaning the State Department, for all practical purposes—the constitutional authority of the Congress of the United States to regulate foreign trade and to adjust the duties, excises, and imposts which we call tariffs or import fees. While the Congress tied together foreign policy and regulation of the domestic economy, the Constitution of the United States pointedly separates regulation of the domestic economy and the fixing of foreign policy. The regulation of the domestic economy was placed under the legislative branch, not the executive branch. Article I, section 8, definitely places regulation of the domestic economy in the legislative branch, whereas the fixing of foreign policy is placed in the executive branch.

TEXTILE INDUSTRY SEES NEED FOR TARIFFS

To return to our economic picture, more and more leaders of industry are convinced that the only proper and permanent relief that will protect investments and payrolls from unfair foreign competition is a tariff system such as our Founding Fathers gave us and which for 160 years was the backbone of American progress.

FACTS SHOW DISTRESS CAUSES

Such views have been expressed by southern textile authorities, as will be set forth by the junior Senator from Nevada later in his remarks.

They have been expressed by the New England Textile Committee, comprised of labor, management, and public members from the six New England States—Maine, Massachusetts, Rhode Island, Connecticut, New Hampshire, and Vermont.

It so happens that the same States, practically, are adversely affected by the trade agreements which relate to the fishing industry, and as to which the report on the bill now under discussion sets forth the harm already done to the fishing industry by foreign imports under the lowered tariff system through agreements made by the State Department under the 1934 Trade Agreements Act.

A return to fair and reasonable tariffs has been asked by officials of the National Association of Wool Manufacturers, which submitted to the recent Randall Commission a list of all woolen and worsted mills in the United States closed or liquidated during the period January 1, 1949, to December 1, 1953. The junior Senator from Nevada proposes to offer this list for the RECORD later in his remarks.

They have been expressed by the cotton-textiles industry, as will be detailed also.

They have been expressed by both labor and management in minerals and mining industries, which the junior Senator from Nevada will discuss at a subsequent time.

And they have been expressed by working executives and members of many other industries, as will be detailed at a later date by the junior Senator from Nevada.

EXPORT JOBS: IMPORT UNEMPLOYMENT

Mr. President, the junior Senator from Nevada has no hesitancy about presenting these facts of economic distress caused by low-wage, low-tax, low-tariff imports. He feels that full knowledge of these facts is imperative if we are to counter the propaganda for free trade, disseminated in part by spokesmen who are exporting jobs and work abroad to factories or subsidiaries in foreign lands and who thus seek lower tariffs for their own selfish interests.

Mr. R. J. Jewell, outgoing president of the Cotton Manufacturers Association of Georgia, discusses this in a signed article published in the April 26, 1954, issue of the Journal of Commerce. He states:

Amidst the confusion resulting from our desire to find some means of assisting foreign countries to reestablish their economies aside from direct dollar aid, there has arisen in some quarters an unrestrained demand for so-called free trade.

Out of this demand there emerged the dangerous and misleading slogan, Trade, Not Aid.

In the past, industry generally has been pretty well agreed upon the merits of fair tariff protection. More recently—

And here we get to the worm in the apple—

There has arisen a schism within its ranks, and a few powerful business groups, of which certain manufacturers of automobiles and business machines are typical, have begun to clamor for a drastic lowering of our already low tariffs. They have joined voices with the agricultural group which desires to sell its surplus products in a free world market while operating, at the same time, in a price-supported domestic market.

TAXPAYERS TAKE "RAP"

Mr. President, the only way we can sell agricultural products in Europe is by letting the taxpayers of America take the "rap" to the extent of approximately 50 percent, 60 percent, and perhaps 70 percent of the price. In addition, the taxpayers are assessed an even greater amount by sending agricultural machinery and industrial machinery to Europe, resulting in further competition with the domestic producers.

Continuing to quote from Mr. Jewell:

This problem of foreign economic policy—

Mr. Jewell continues—

with particular respect to the tariff, presents perhaps the most serious situation now confronting our industry; and upon its solution may well depend the future of textiles in America.

Later in his article, Mr. Jewell states:

I do not have to tell you that without adequate tariff protection the textile industry in the United States will shrivel up and perish.

Mr. President, I might say at this point that a very prominent industrialist in the chemical industry told the administration in words of one syllable that if something is not done soon the chemical industry will end up back on the Rhine, where it started before World War I.

Every industry in the United States is in the same boat.

FOREIGN WAGE SCALES FRACTION OF OUR OWN

I continue to quote from Mr. Jewell:

It would be utterly impossible for us to maintain the wage scale which our workers now are paid, the high standards of living to which they have become accustomed, and to provide for replacements and fair capital return if we are forced to compete in world markets against wage scales ranging from 10 to 20 percent of our own.

Mr. Jewell then reports on the findings of industry representatives who recently visited Japan, and these are some of the facts to which I referred a few moments ago. He states:

Some private concerns have recently sent representatives to Japan to investigate textile conditions in that country, and they have found that under the American occupation, with American know-how and direction, the Japanese industry has been rebuilt to a very high peak of efficiency, using Japanese machines.

They found that the average wage paid to textile employees was $11 to $14 per month, and that the workload had been increased considerably over that prevailing prior to the war.

The result of the one particular investigation is a reluctance on the part of the concern involved to increase its investment in American textile facilities.

Until this matter of tariff protection and foreign trade has been properly settled and a definite and equitable trade policy established by our Government, this industry will remain in grave danger.

We can even be destroyed by our friends and well-wishers through ignorance on their part.

CITES TORQUAY SELLOUT

Mr. President, I wish to call particular attention to that last statement of the retiring president of the Cotton Manufacturers Association of Georgia, in which he says:

We can even be destroyed by our friends and well-wishers through ignorance on their part.

That statement is equally applicable to the Congress and to the United States Senate if we persist in continuing the policies of socialized international trade incorporated in the Trade Agreements Act of 1934 and expanded through creation of the thing called GATT—General Agreement on Tariffs and Trade—which has never even been presented to the Senate for its consideration.

The State Department has persistently shrouded its GATT connivings and trade-aways during their evolvement under a blanket of obscurities. GATT sessions are veiled in secrecy and held in foreign hideaways like Annecy, France, Geneva, Switzerland, or Torquay, England. The trade-outs do not become public knowledge until after they have become a fait accompli.

For example, at Torquay, England, an important market for American textiles was dissipated by concessions granted Cuba, through concessions of higher Cuban tariffs, while our own State Department has consistently sought to lower ours. I ask unanimous consent to place in the RECORD at this point in my remarks, data prepared by the Textile Association of the United States on concessions granted Cuba on textile items at the Torquay conference.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

GATT CONCESSIONS TO CUBA

The Textile Association of the United States has reported that sales of American cotton and rayon textiles to Cuba in the 2 years since the Torquay tariff agreement went into effect dropped by 56.3 million square yards.

Translated into terms of cents per yard on the principal textile items U. S. A. exports to Cuba, the concessions obtained by Cuba line up as follows:

Cents per yard unless otherwise stated

	Old rate	New rate	Percent increase
COTTON			
100x60s white broadcloths	2.90	4.48	54.48
100x60s dyed broadcloths	3.77	5.70	51.19
80x80s print cloth dyed	3.77	6.00	59.15
80x80s percales	2.72	5.95	118.75
64x60s percales	1.95	4.68	140.00
60x48s percales	3.00	4.38	46.00
White drills	8.38	11.40	36.04
Dyed 2.50-yard sheetings	4.40	11.20	154.55
3.90-yard chambray	3.61	6.68	85.04
3.20-yard chambray	4.40	7.12	61.82
2.20-yard denims	7.62	11.98	57.22
72-inch white sheetings	5.41	10.00	84.84
Type 128 sheets (per dozen)	$3.075	$5.68	84.71
RAYONS			
Rayon suitings (12 threads)	3.87	31.50	714
Rayon suitings (15 threads)	4.13	28.87	599
Multifilament rayon crepes	4.90	25.37	418
72x54s plain French crepes	3.17	11.43	261
72x54s printed French crepes	2.12	10.13	378
92x64s plain French crepes	5.81	13.10	125
92x64s printed French crepes	3.88	11.27	190
Spun rayon prints (14 threads)	2.82	13.52	379
Spun rayon dyed plain (14 threads)	4.11	15.80	284
Spun rayon printed	2.61	12.91	395
Rayon and cotton blankets (unit)	.48	$1.43	198

WOOL CLOTH IMPORTS SET RECORD

Mr. MALONE. Mr. President, it is pertinent at this time to turn our atten-

tion from the plight of the cotton-textile industry to that of the woolen- and worsteds-textile industry.

The Journal of Commerce, on May 6, carried a signed article by Mr. Edwin Wilkinson, executive vice president of the National Association of Wool Manufacturers, in which he stated, in part:

Rising imports of woolen and worsted fabrics are a problem of increasing concern to the wool manufacturers in the United States.

This is especially so in view of the great hue and cry for freer trade, made in most cases with little or no consideration of the adverse effect on many essential industries, including textiles.

In 1953, in spite of declining production here, imports of wool cloth climbed to 24,275,000 square yards, thus surpassing the 30-year record high set in 1952.

Because of poor conditions and the fact that the industry is made up mainly of small-business enterprises, the imports are harmful out of proportion to the volume. Unfortunately, there is reason to believe the competition from low-wage foreign mills is merely in its infancy.

Mr. Wilkinson continues:

Comparing 1953 with 1939, the increase in imports is alarming, to say the least. Imports from the United Kingdom have gained 76 percent; from Italy, 524 percent; from France, 60 percent; and from Switzerland, 845 percent.

FREE TRADE MEANS SUBSERVIENCE TO FOREIGN CARTELS

Japan, which, before World War II, was beginning to gain a foothold here, again is actively striving for a share of the American market. The wage gap between American and British mills—$1.55 per hour here against 42 cents there—is bad enough, but in Japan the average hourly pay is only about 13 cents.

Present tariffs fail to equalize the wage gap.

From the viewpoint of stimulating world trade, can it seriously be argued that it is better to have these foreign workers employed at low wages while American workers idle at a high wage rate and watch their jobs vanish as imports increase?

Mr. Wilkinson continues:

The freetraders often use the price differential as an argument. They point to how cheaply we can buy foreign products. This, of course, ignores completely the loss of corporate and personal income taxes which is suffered when a large volume of imports is permitted.

I digress, Mr. President, to say that it also ignores the fact that when an industry is destroyed in this Nation the high standard of living is destroyed through competition with low-wage labor abroad. Then prices are raised to what the traffic will bear. It is like a gasoline pipe with a gas station on each end. Both stations may be selling gas for 2 cents a gallon, but when one of them goes out of business we then pay "through the nose" for the losses which have been sustained up to that time.

Quoting further, Mr. President:

But beyond that, if there were no woolen-worsted industry here if it was not large enough to meet American needs, this country soon would discover its mistake.

Europe and other parts of the world, with their cartels, soon would be charging us much more than we now are paying for American goods produced by American workmen under the American standard of living.

Members of this association contend: Let us stimulate world trade in the goods and services nations need and do not have. Let us establish a tariff policy based on need—need in the national interest.

NEW ENGLAND TEXTILE GROUP SUBMITS REPORT

Mr. President, the New England Textile Committee, to which I previously referred, made a detailed report on April 7, 1954, copies of which, I am informed, were sent to the governors of the six New England States and to their delegations in the Congress.

Later in my remarks I shall submit the complete report for the RECORD but at this time I wish to call attention to the splendid summary, its recommendations, and the reasons set forth for these recommendations. The summary begins as follows:

The subject of tariffs is of vital importance to the New England textile industry, one of New England's most important industries, employing over 220,000 workers. The recommendations follow:

1. That there should be no further reductions in tariff rates on any of the different classes of textiles.

2. That tariff rates should be raised on textile products where foreign imports cause or threaten to cause unemployment in any segment of the industry.

REASONS FOR FAIR TARIFFS STATED

Then follow the reasons. They are:

REASONS

The New England textile industry, consisting of over 1,500 establishments, is an industry of highly competitive small businesses and needs protection from low-wage foreign competition. Foreign wage differentials of 200 to 1,400 percent are not offset by superior productivity of New England mills, in part due to the sharing of technical know-how with our foreign neighbors.

Today, the textile industry's rise from a state of depression involving widespread unemployment in New England is being hindered by increased imports of foreign textile products, duty paid, at prices below those of United States producers. Meanwhile, displaced New England textile workers are experiencing difficulty in finding new jobs and are being carried on the rolls of the unemployed.

Our standard of living and national security will be severely injured unless some means is provided to grant relief to the textile industry as needed.

Unlike other industries, entrance and exodus from textiles is quick, and the industry is subject to very rapid economic changes, which characteristics have to be considered in the formulation of tariff policies.

STATE DEPARTMENT HAMPERS EXPORTS

Mr. President, in this connection I ask also that there be placed in the RECORD at this point in my remarks an article from the April 9, 1954 issue of the Journal of Commerce titled "Whitin President Hits Tariff Policy."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHITIN PRESIDENT HITS TARIFF POLICY

WHITINSVILLE, MASS., April 8.—The drive of the State Department to remove so-called tariff barriers in its "trade not aid" program will spell the doom of many American industries, J. Hugh Bolton, president of the Whitin Machine Works, says in the current issue of the Whitin Review.

Mr. Bolton is a member of the board of directors of the American Textile Machinery Association, and past president of the organization.

"Even the advocates of no tariff admit that certain industries would be badly hurt under this program," Mr. Bolton said.

Mr. Bolton said that although there is a great "hue and cry" for the removal of American tariffs so that countries who have been receiving United States dollar aid may ship their goods and services to this country without restriction, nothing is being said or has been said about these same countries removing their tariff and licensing restrictions against American goods.

SEE DANGER NOW

Mr. Bolton said that where 2 years ago a "great many" major American industries would have disagreed with him, large segments of other major industries in this country are now awakening to the fact that if this policy is pursued further there will be grave danger to American industry.

"The United States cannot afford to lose any of its industries. I admit that it is essential that we have a prosperous Europe, including Great Britain, but it would be suicide, both for ourselves and Europe, to build foreign countries up at the expense of American industry and enterprise."

"For example, this country gives outright grants in dollars to foreign governments in order to help them build up their industrial potentials. These same foreign governments would like to buy American machinery with their dollar grants, but the United States State Department representatives deny them that privilege and insist that they purchase their needed heavy equipment from other foreign markets. That, of course, directly affects our own export markets."

Mr. Bolton believes the time to fight the fallacy of "free trade" has arrived. And he says: "Almost without exception European governments subsidize exports in one way or another. That makes for exceedingly difficult competition. In spite of that, we have been willing to take our chances as long as our domestic market was not attacked with low-priced subsidized machinery. Now that is being done. It is time to fight for our own survival as an industry."

IMPORTS FORCE MILL CLOSURES

Mr. MALONE. Mr. President, Mr. Bolton appropriately comments that although there has been a great hue and cry for the removal of American tariffs so that countries who have been receiving dollar aid may ship their goods and services to this country without restriction, nothing is being said or has been said about these same countries removing their tariff and licensing restrictions against American goods.

At an appropriate time I propose to discuss these restrictions, about which our free-trade propagandists are consistently silent.

However, at present I wish to revert to the statement submitted by the National Association of Wool Manufacturers in December to the so-called Randall Commission, headed by Clarence B. Randall, who now is rounding up administrative agencies for our ninth go at international tariff shuffling.

The facts presented by the National Association of Wool Manufacturers were, to all effects and purposes, ignored by Mr. Randall, if, indeed, he read or studied them. They cited the effects of imports on that important industry and as further evidence submitted a list of all woolen and worsted mills of which they had a record that had been liquidated or had gone out of business from January 1, 1949, to December 1, 1953, the date that the statement was submitted to the Commission.

Other mills have closed since then according to information that has reached the junior Senator from Nevada, but the

list of those previously closed down is sufficiently lengthy and significant to show what is taking place nationally to the woolen and worsted manufacturing industry during the period when foreign aid and State Department favoritism to foreign industries were deluging the American market with more than $4½ billion worth of foreign textiles.

Mr. President, I ask unanimous consent that the list to which I have referred be printed in the RECORD at this point as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

EXHIBIT B–I.—*Woolen and worsted mills liquidated or out of business since Jan. 1, 1949*

Company and location	Affiliation	Spindles	Looms	Employees
NEW ENGLAND STATES				
MAINE				
Brown Mills (AW Co.), Dover-Foxcroft	CIO	6,240	96	150
Camden Textile, Inc., Camden			60	125
Deena Woolen Co., Sabattus		2,640	40	150
Dumharton Woolen Mills, Sangerville	AFL	2,240	32	100
Georges River Woolen Co., Warren		1,540	30	125
Hughes Woolen Co., Camden		3,264	40	150
Moosehead Woolen Co., Corina	AFL	7,000		300
Pioneer Mills (AW Co.), Pittsfield	CIO	4,400	72	300
Rocky Gorge Woolen Co., South Berwick		2,700	38	250
Winthrop Mills, Winthrop	AFL	5,496	156	500
NEW HAMPSHIRE				
Cocheco Woolen Manufacturing Co., East Rochester	Ind.	7,600	120	425
Dodge Davis Manufacturing Co., Bristol	CIO		30	75
Gordon Woolen Co., Newport	CIO	4,992	64	300
Hampshire Worsted Mills, Manchester	AFL	8,500		175
Harris-Emery Co., Penacook	CIO	5,200	57	230
Hillsboro Woolen Mills, Hillsboro	CIO	4,560	48	310
Lion Yarn Co., Manchester		7,488		125
Sawyer Mill (AW Co.), Dover	CIO	3,960	114	393
R. C. Swan Co., Keene		900		250
VERMONT				
Gay Bros. (Gaymount and Green Mountain Mills), Ludlow	CIO	2,000	51	400
Harris-Emery Co., Quechee	CIO	3,220	30	135
Mountain Woolen Co., Ludlow		2,550	22	150
Suffolk Knitting Co., Bennington				
John T. Slack Corp., Springfield	CIO			200
Valentine Mills, Bennington		2,160	20	125
Verd-Mont Woolen Co., Ludlow		1,440	12	85
MASSACHUSETTS				
Assabet Mills (AW Co.), Maynard			210	650
United States Bunting Mill (Ames Textile Corp.), Lowell			210	650
Arlington Mills, Lawrence	AFL	104,000	642	7,700
Ayer Mills (AW Co.), Lawrence	CIO	58,336	384	2,657
Arden Mills (AW Co.), Fitchburg	CIO		144	406
Atkinson Spinning Co., Lowell		2,616		100
Bachmann Uxbridge W. C., Fall River	CIO	19,010		125
Bachmann Uxbridge W. C., Lowell	CIO		144	310
Bradford Spinning Co., Hudson	CIO	16,600		400
Chute Worsted Co., Brockton		2,464		50
Franklin Yarn Co., Franklin	CIO	6,480		50
Hayward-Schuster Woolen Mills, Millbury	CIO	5,808	88	500
Hayward-Schuster Woolen Mills, Manchaug	CIO	3,450	72	500
Hopeville Manufacturing Co., Worcester	CIO	2,400	118	660
Lawrence Blanket Co., Webster	CIO			125
Lawrence Woolen Co., Lawrence		6,446	120	400
E. Frank Lewis Mills, Lawrence	AFL			100
Lowell Woolen Mills, Lowell	AFL	2,160		75
Medway Mills, W. Medway	CIO	1,872	20	130
Paragon Spinning Co., Millbury		2,530		50
Royal Spinning Co., Lowell	AFL	4,800		90
Rohmer Medford Wool Scouring, Medford	AFL			100
South Acton Woolen Co., South Acton	CIO			90
Sterling Mills Co., Worcester	CIO	4,880	48	200
Taft Mill, Oxford		1,876	88	105
Thayer Woolen Co., North Oxford		1,944	36	125
M. T. Stevens (Pentucket), Haverhill	CIO		150	400
Vee Cee Spinning, Inc., Lowell	AFL	1,000		75
Wuskanut Corp., Faxnumville	CIO	13,776	126	500
Winslow Bros. & Smith Co., Norwood	AFL			525
RHODE ISLAND				
Ashaway River Woolen Co., Ashaway				150
Atlantic Mill Division (A. D. J.), Providence	CIO	56,000	590	2,500
Belleville Woolen Co., Allentown	CIO	2,400	39	250
Carwan Spinning Co., W. Warwick	CIO	3,700		75
Georgiaville Worsted Spinning, Georgiaville	CIO	800		50
Geneva Mills, Providence	CIO	16,240		625
Kalin Mills, Inc., W. Warwick			16	40
Lafayette Mills (Rodman Manufacturing Co.), Lafayette		6,246	64	250
Manton Mills (AW Co), Manton	CIO	2,008	146	394
National Providence (AW Co), Providence	Ind.	1,704	82	150
Woonsocket Worsted Co., Woonsocket	CIO	19,174		550
NEW ENGLAND STATES—Continued				
CONNECTICUT				
S. Blumenthal & Co., Inc., Shelton	CIO			
Griswold Mills, Voluntown		2,000		100
Killingly Worsted Mills, Danielson		1,400	82	150
Moodus Yarn Co., Moodus				
Putnam Worsted Mills, Putnam	CIO		36	100
Rhode Island Worsted Co., Stafford Springs		7,000	69	400
M. T. Stevens (Hockanum), Rockville	CIO	23,000	490	1,500
MIDDLE ATLANTIC STATES				
NEW YORK				
Broadalbin Mills, Inc., Broadalbin				350
Faith Mills, Averill Park	CIO	4,500		50
Fulton Mills (AW Co), Fulton	CIO	34,000	288	895
Globe Mills (AW Co.), Utica	CIO	18,384	147	726
High Rock Mills, Inc., Philmont		5,168	24	200
Jamestown Worsted Mills, Jamestown	CIO	10,868	80	750
Montgomery Worsted Mills, Montgomery		2,000		160
Springdale Mills, Hudson			30	100
Thermo Mills, Hudson		2,040		150
Troy Yarn Co., Troy	Ind.	4,000		100
Utica Knitting Co. (Knitting Cloth Department), Clayville	CIO	10,868	80	750
Weil Bros. Textiles (carpet yarn), Newburgh	CIO	2,316	200	300
NEW JERSEY				
Raritan Mills, Raritan	CIO	6,432	100	350
Eavenson & Levering Co., Camden	CIO			650
Howland Croft Sons & Co., Camden	CIO	13,500		490
PENNSYLVANIA				
Ardross Worsted Co., Philadelphia	CIO		72	325
Blue Ridge Woolen Co., Chambersburg		3,360	45	175
Geo. Brown's Sons, Inc., Mount Joy		5,292	24	160
Edwin & Louis Bry, Inc., Norristown	CIO	4,785	86	500
Cambridge Worsted Mills, Philadelphia			40	125
R. B. Dutt Co., Philadelphia				60
Esterly Woolen Co., Esterly		2,280	25	130
Eagle Textile Manufacturing Co., Philadelphia			20	75
J. T. Gardner, Philadelphia			20	70
Haverdale Co., Philadelphia				
Keystone Worsted Mills, Philadelphia				50
Mitchell & Walker (Shackamaxon), Philadelphia		2,400	66	150
Joseph E. Murphy, Philadelphia	CIO		50	165
Prudential Worsted Co., Doylestown			96	200
Roystand & Co., Philadelphia			18	50
Shepperd Mills, Inc., Philadelphia			48	125
Geo. W. Watt Woolen Co., Norristown	AFL	3,360	40	250
Westmoreland Worsted Co., Philadelphia				
John Walther Fabrics Co., Philadelphia				150
Thos. Wolstenholme Co., Philadelphia	Ind.	30,000		600
Walther Manufacturing Co., Philadelphia	CIO		165	550
Wynona Fabrics Inc., Philadelphia		2,550		100
Yorkshire Mills (Chester Division), Chester	CIO		276	600
SOUTHEASTERN STATES				
MARYLAND				
Melville Woolen Co., Sykesville		4,830	60	125
VIRGINIA				
Winchester Woolen Co., Winchester	AFL	2,592	32	420
WEST VIRGINIA				
Berkeley Woolen Co., Martinsburg	CIO	8,160	96	510
Dunn Woolen Co., Martinsburg	CIO	7,210	72	200
Potomac Wst. Spinning Mills, Keyser	CIO	5,000		75
TENNESSEE				
Sweetwater Woolen Mills, Sweetwater		7,520	84	500
GEORGIA				
Arcadia Woolen Co., Atlanta	CIO	4,150	56	400

EXHIBIT B-I.—*Woolen and worsted mills liquidated or out of business since Jan. 1, 1949*—Continued

Company and location	Affiliation	Spindles	Looms	Employees
MIDWESTERN STATES				
ILLINOIS				
Hanover Woolen Mills, Hanover	AFL	4,300	78	250
INDIANA				
Columbia Woolen Mill, Columbia City	AFL	3,635	46	250
La Porte Bachmann, La Porte	AFL	10,480	112	400
MINNESOTA				
Alworth Woolen Mills, Duluth	CIO	1,080	28	100
North Star Woolen Mill Co., Minneapolis	CIO	3,552	60	475
WISCONSIN				
Grieves Woolen Mills, Sheboygan Falls	--------	2,544	30	125
Island Woolen Co., Baraboo	CIO	6,480	88	300
MIDWESTERN STATES—Continued				
WISCONSIN—continued				
Prairie du Chien Woolen Mill, Prairie du Chien	AFL	2,208	63	305
Racine Woolen Co., Racine	Ind.	--------	--------	50
PACIFIC COAST STATES				
CALIFORNIA				
Humboldt Bay Woolen, Eureka	AFL	2,792	30	100
Treasured Fabric, Ltd., Santa Ana	CIO	130	17	75
Worth Bros., Los Angeles	CIO	4,800	--------	120
OREGON				
Eugene Woolen Co., Eugene	CIO	1,720	21	80
Total	(1)	788,738	8,597	48,041

[1] Number of mills, 132; CIO, 59; AFL, 18; Independent, 5; no record, 50.

NOTE.—Leaders indicate either none or unknown.

EXHIBIT B-II.—*Area breakdown, woolen and worsted mills liquidated or out of business since Jan. 1, 1949*

Area	Number of mills	Union affiliation		Spindles	Looms	Employees
		Yes	No			
Maine	10	5	5	35,520	564	2,150
New Hampshire	9	7	2	43,200	433	2,233
Vermont	7	3	4	11,370	135	1,095
Massachusetts	30	22	8	262,448	2,600	17,848
Rhode Island	11	8	3	157,262	1,275	7,124
Connecticut	7	3	4	33,400	677	2,250
New England	74	48	26	543,200	5,684	32,750
New York	12	7	5	88,396	769	4,331
New Jersey	3	3	0	19,932	100	1,490
Pennsylvania	23	7	16	54,027	1,071	4,610
Mid-Atlantic	38	17	21	162,355	1,940	10,431
Maryland	1	0	1	4,830	60	125
Virginia	1	1	0	2,592	32	420
West Virginia	3	3	0	20,370	168	785
Tennessee	1	0	1	7,520	84	500
Georgia	1	1	0	4,150	56	400
Southeast	7	5	2	39,562	400	2,230
Illinois	1	1	0	4,300	78	250
Indiana	2	2	0	14,115	158	650
Minnesota	2	2	0	4,632	88	575
Wisconsin	4	3	1	11,232	181	780
Midwest	9	8	1	34,279	505	2,255
California	3	3	0	7,722	47	295
Oregon	1	1	0	1,720	21	80
Pacific coast	4	4	0	9,442	68	375
Grand total	132	82	50	788,738	8,597	48,041

TEXT OF TEXTILE REPORT

Mr. MALONE. Mr. President, this is an extensive subject, and I do not wish to take up too much of the Senate's time on any given day. Instead, I prefer to discuss from time to time pertinent matters relating to the issue and information as it is being developed by affected industries and parties which are progressively being hurt by proforeign trade policies inaugurated in previous administrations but now being carried over by the present one.

At this time, however, I ask unanimous consent to place in the RECORD the seven-page text and one page of documentation of the New England Textile Committee's report on tariffs.

There being no objection, the text and documentation were ordered to be printed in the RECORD, as follows:

THE NEW ENGLAND TEXTILE COMMITTEE REPORT ON THE SUBJECT OF TARIFFS, APRIL 7, 1954

The importance of tariff rates to the New England textile industry and the current activity of the Federal Government relative to same have prompted the New England Textile Committee to conduct hearings for the purpose of discussing and studying this issue. This statement of the position of the New England Textile Committee on the tariff issue, for presentation to our New England Governors, Congressmen, and to the general public, is the product of this careful study.

This report consists of a definition of the textile industry in New England, discussion of characteristics of the industry, the need for tariff protection, present tariff legislation, and recommendations of the New England Textile Committee.

NEW ENGLAND TEXTILE INDUSTRY

The textile industry is one of the most important industries in New England. New England mills constitute about 20 percent of the cotton, silk, and synthetic textile industry,[1] about 60 percent of the woolen and worsted textile industry,[2] and a sizable percentage of other textile industries, including manufacturers of lace goods, felt goods, coated fabrics, cotton cordage and twine, hats, carpets and rugs, knit goods, thread and yarn. The New England Textile Committee represents all of the textile mill products industries.

Over 16 percent of the people employed in New England manufacturing industries are directly employed in textiles, approximately 220,000 people in 1953.[3]

Another 220,000 people are indirectly dependent on the textile industry, as the loss of a textile job in a community may mean the loss of one additional job when the worker and his dependents cut their purchases from the grocer, the druggist, the department store, and the professions.[4] Thus 1 in every 6 jobs in New England is directly or indirectly dependent on the welfare of the textile industry.

The New England textile industry represents capital investment in excess of $1½ billion,[5] value added by manufacture in 1952 of $1,154,000,000,[6] and would require investments of about $3 billion to substitute new manufacturing jobs for textile jobs.[7]

The textile industry is not only essential to New England but is of great importance to the national economy. The total industry employs approximately 1,250,000 workers, has an annual gross product value of $12 billion, pays taxes of $1,250,000,000 annually, and had an investment at the end of 1952 of $5½ billion, with total assets of about $9 billion.

CHARACTERISTICS OF THE INDUSTRY

The characteristics of large employment, small size of units, geographical dispersion,

[1] Statement of the National Association of Cotton Manufacturers and Northern Textile Association on the subject of tariffs before the New England Textile Committee, Mar. 10, 1954.

[2] Bureau of the Census, 1949.

[3] Statement of the National Association of Cotton Manufacturers and Northern Textile Association, Mar. 10, 1954.

[4] Report on the New England textile industry by committee appointed by the Conference of New England Governors, 1952, May 1, 1953.

[5] Ibid.

[6] Statement of the National Association of Cotton Manufacturers and Northern Textile Association, March 10, 1954.

[7] Report on the New England Textile Industry, May 1, 1953.

high percentage of labor costs to other costs, free price competition, and military value make it mandatory that present tariff rates on textile mill products be maintained or increased in the interest of national welfare.

LARGE EMPLOYMENT

In addition to being one of the largest employers of labor, the industry is characterized by the fact that mills employ a relatively high proportion of the workers in the labor market area where they are located. Many mills are situated in small towns where they provide either the sole or principal source of outside income to the community. Other mills are located in textile centers, such as Rockville and Danielson, Conn.; Sanford, Biddeford, and Lewiston, Me.; Fall River, New Bedford, Lawrence, and Lowell, Mass.; Manchester and Keene, N. H.; Woonsocket and Providence, R. I.; and Winooski, Vt., where they represent a large proportion of the total manufacturing employment in the area.

SIZE OF UNITS

The textile industry typifies small business which the Federal Government is currently trying to assist on the one hand through the Small Business Administration, and is permitting to be injured on the other through reductions in textile tariffs.

The average number of employees in textile mills is very low in New England as well as in all regions of the United States and in all branches of the industry. In the United States, 43 percent of the textile mills employ less than 20 persons and 73 employ under 100 workers.[8] The total industry is composed of over 9,000 mills, of which over 1,500 are in New England.

GEOGRAPHICAL DISPERSION

Only a relatively small number of textile mills are located in large metropolitan areas where there is a diversity of manufacturing and employment. Most of the mills are small, widely distributed, and located in small towns where a change or shift in demand for their output causes particular hardship on textile workers.

LABOR ORIENTED INDUSTRY

The entire industry is noted for its relatively high percentage of labor costs to other costs. In 1953, salaries and wages of the wool-textile industry represented 63 percent of the total value added by manufacture.[9] In the case of the cotton and rayon broad-woven fabrics field, salaries and wages represented 67 percent of the total value added by manufacture in 1952.[10] This labor cost is particularly important when one considers that raw-material costs are just as low or lower to other producers throughout the world. Government price-support policies tend to raise the cost of raw materials to American producers above the prevailing prices in the world market.

Uncontrolled competition from low-wage foreign producers can seriously damage the New England textile industry, the New England economy, and the national textile industry. In competition with foreign producers, the wage differential varies between 200 and 1,400 percent, and this in a labor oriented industry.[11] As a result, during 1953 textile products were entering the United States, duty paid, at prices substantially below those of domestic producers.[12]

The Government considers an area with 6 percent or more unemployment a surplus-labor area. As an example of what can happen in a short period of time in textiles, let us consider the case of the lace manufacturers, predominantly located in the Blackstone and Pawtuxet Valley areas of Rhode Island. In the 2 years following the reciprocal-trade agreements program with France, in conjunction with the devaluation of the French franc, which, in substance, meant still further tariff reduction, the lace industry in Rhode Island found itself with 66 percent of its workers unemployed and the remaining 34 percent working on an average of 14½ hours a week.[13] This shows how quickly foreign competition affects the textile industry.

PRICE COMPETITION

The outstanding characteristic of the textile industry is its highly competitive nature with the resulting low free market price of textiles to the consumer. In recent years textile profits as a percent of sales have been running below the average earnings of manufacturing industries generally. The textile industry is not making profits at the expense of the consumer under the protection of the present tariff.

MILITARY VALUE

Maintenance of a domestic textile industry is vital to our national security. During the 4 years, 1942–45, 51.4 percent of the production of cotton broad-woven goods in the United States went to the armed services.[14] In the woolen industry, during the peak production years of 1942 and 1943, 51.5 percent and 48.8 percent respectively of domestic production went to the armed services.[15] Any injury to the New England textile industry through tariff reductions could jeopardize national security.

TARIFF PROTECTION

In the interest of New England, our national security, and the national economy, present tariff rates on textile products must be maintained to protect the textile industry and its various segments from injury and unemployment caused by low wage foreign competition. When foreign imports cause or threaten to cause unemployment in any branch of the textile industry, tariff rates on the goods imported should be raised to prevent further injury and unemployment.

Textile workers laid off as a result of mill closings find it difficult to find jobs. Older textile workers are experiencing considerable difficulty in finding new jobs and if total textile employment declines it will be increasingly difficult for them to find any sort of employment according to a recent survey conducted by Northeastern University.[16] Any reduction in tariff rates will only serve to aggravate the already serious problem of unemployment in some New England textile centers.

The textile industry is one of the first industries to develop in new industrial areas and in rehabilitated countries. Since World War II United States textile-machinery manufacturers have equipped many foreign mills. As a consequence, many foreign producers have machinery which is more modern and more efficient than the older machinery in many mills in the United States. With low wages, modern machinery and techniques, foreign producers can and will capture our domestic markets. Any advantage we enjoyed in the past in greater productivity and efficiency have been equalized by sharing our knowledge with our foreign neighbors. Fine-combed-cotton goods from Western Europe and Japan, Italian and Japanese velveteens, English typewriter cloth, English tweeds, and other foreign textiles are coming into this country in increasing numbers.

Since the inception of the textile industry, the Government has provided protection against foreign producers through the medium of the tariff. Under these conditions the industry has grown and developed a scale of wages commensurate with the American standard of living. Through reciprocal trade agreements during the last 20 years there have been large reductions in tariff rates on textiles. Any further reduction would be injurious to the industry and New England. The New England Textile Committee favors protection for workers, stockholders, and the public from the low-wage competition of foreign countries.

TARIFF LEGISLATION

Under present tariff rates, textile products are being imported in increasing quantities while domestic industry suffers from unemployment. The woolen and worsted industry is the prime example of this situation.

The Commission on Foreign Economic Policy, popularly known as the Randall Commission, has recommended further tariff reductions to the President. The New England Textile Committee is opposed to any further tariff reductions on textile products.

RECOMMENDATIONS

The New England Textile Committee recommends—

1. That there should be no further reductions in tariff rates on any of the different classes of textiles.

2. That tariff rates should be raised on textile products where foreign imports cause or threaten to cause unemployment in any segment of the industry.

AMERICAN TEXTILE JOBS DROP

Mr. MALONE. Mr. President, I ask unanimous consent to have placed in the RECORD a news account published in the Wall Street Journal Thursday, April 29, 1954, entitled "CIO Textile Union Reports 75,000 Drop in Contract-Covered Jobs." It also will be noted that the same account quotes Emil Rieve, president of the Textile Workers Union of America, as stating that total employment in the textile industry has dropped from 1,300,000 to a little more than 900,000.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CIO TEXTILE UNION REPORTS 75,000 DROP IN CONTRACT-COVERED JOBS

ATLANTIC CITY.—The CIO Textile Workers Union reported that slumping employment in the industry has brought a 2-year drop of 75,000 in the number of its workers covered by union contracts.

In a report to a meeting here of the union's executive council Emil Rieve, TWUA president, said the union now represents 325,000 men and women, compared with 400,000 2 years ago.

"In the same period," he said, "total employment in the textile industry has declined from 1,300,000 to a little more than 900,000. Therefore, while we are, of course, not satisfied to represent only one-third of the workers, we have held our own percentagewise."

Mr. Rieve's figures include both dues-paying union members and nonmembers who work under TWUA contracts with the textile industry.

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[8] U. S. Department of Commerce and Federal Security Agency, County Business Patterns, first quarter, 1949.

[9] Statement submitted to the Commission on Foreign Economic Policy by the National Association of Wool Manufacturers, December 1953.

[10] National Association of Cotton Manufacturers and Northern Textile Association, April 1954.

[11] Ibid.

[12] Ibid.

[13] Testimony of National Association of Lace Manufacturers before the New England Textile Committee, March 10, 1954.

[14] Statement of the National Association of Cotton Manufacturers and Northern Textile Association, March 10, 1954.

[15] Statement submitted to the Commission on Foreign Economic Policy by the National Association of Wool Manufacturers, December 1953.

[16] Bureau of Business and Economic Research at Northeastern University, January 25, 1954.

The union president said "raids" by the AFL United Textile Workers were only a small factor in the CIO's losses.

"Two years ago about 25,000 workers formerly under a TWUA contract voted to switch to the AFL," he said. "However, a good many of them have since voted to return to us, and others are in the process of doing so."

Mr. Rieve said the TWUA signed 185 new contracts covering 16,745 newly organized members in the past 2 years.

The executive committee is meeting prior to the start of the union's biennial convention here next Monday.

CASE OF THE "LOST" TEXTILE WORKERS

Mr. MALONE. Mr. President, these are, of course, American workers who have been displaced from their jobs—some 300,000 to 400,000 of them—not Cuban workers or Japanese textile workers, earning $11 to $14 a month, as reported by Georgia's Mr. R. J. Jewell.

What happens to textile workers thrown out of work?

Mr. President, the publication Business Week, issue of March 6, 1954, sought to answer this question with an article titled "Case of the 'Lost' Textile Workers." It reports the results of surveys made in New England. I ask unanimous consent that the article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CASE OF THE "LOST" TEXTILE WORKERS

When a New England textile mill closes its doors, what happens to the uprooted workers? That's a big question throughout New England today, and one that—so far—has never been adequately answered.

Unemployment figures tell only part of the story. That is clear in Lawrence, Mass., where many more textile jobs have been wiped out in recent years than are shown by jobless data and figures on expanded employment in other industries (BW–Dec. 19, 1953, p. 72). What happened to the rest?

TRACKING THEM DOWN

The bureau of business and economic research of Northeastern University, in Boston, is trying to find out in a survey of displaced workers in Lawrence—part of a broad study launched about a year ago that's now beginning to show some interesting results.

Under the direction of William H. Miernyk, the bureau has so far interviewed 756 workers from 3 liquidated mills in 3 cities—a woolen mill in New Hampshire, a cotton mill in Fall River, Mass., and a cotton mill in Lowell, Mass. After it winds up the survey in Lawrence, it plans to canvass displaced workers from 2 other Massachusetts mills and 1 in Rhode Island. When completed, the survey will show what happened to 2,000 laid-off textile workers.

THE GENERAL PICTURE

First findings, which later case studies probably will confirm, show:

Most of those laid off were still in the labor force, either employed or actively seeking employment, though a few of the displaced workers—mostly young married women or very old workers—dropped out within a year.

More men than women had been reemployed, and workers over 45 years of age were having a particularly hard time finding new jobs. Among the job seekers, 80 percent were drawing unemployment compensation when interviewed.

Most of those with new jobs were in other textile mills, in nonmanufacturing work, or in established relatively static "nongrowth" industries; comparatively few had found their way into newer, expanding growth industries—machinery, electronics, and the like.

The majority of the reemployed were earning less than before, and many had been downgraded—from skilled to semiskilled, or from semiskilled to unskilled classifications.

Most told interviewers they were unhappy in new jobs, in part because of the lower pay and rating, but also because they had lost seniority and saw little opportunity for advancement.

SHATTERED ILLUSION

According to Miernyk, these findings explode a myth that has gained currency among New England businessmen and many economists in the last few years: That growth industries, particularly electronics, have been taking up a lot of the textile slack in employment. That's not the way it looks, Miernyk says, commenting:

"In view of the recent public statements that New England will gain by the * * * diversification of industry, we feel that these findings are timely. * * * Statements by persons in important positions have created the cruel illusion that new jobs are to be provided for the displaced textile workers."

Diversification helps, but new industries evidently are filling jobs with newcomers in the labor market instead of with displaced textile workers, according to the bureau's findings. Of the first 756 workers checked, only 5 percent found jobs in growth industries.

VARIATIONS

Along with these general conclusions each of the first mills surveyed turned up some interesting sidelights.

In Fall River, the cotton mill management gave workers advance notice of the coming shutdown, and urged them to seek new jobs; but of 850 workers—not all of whom were contacted by bureau interviewers—only 19 found jobs before they were finally laid off. Many later wound up with new textile employment. Half of those displaced were idle less than 5 weeks after their layoffs, and 65 percent less than 10 weeks.

In Lowell, younger male workers found new jobs, but those over 45 years of age still were largely unemployed after a year; women in all age groups were having a harder time getting new jobs than men were.

In New Hampshire, the woolen mill closed in a one-factory town with a population of 1,500, miles away from any fair-sized city. The mill closing idled 200 workers. A leather products firm moved into the mill building, and reemployed part of the textile jobless. But 2 years after the shutdown, almost a third of the 200 laid off in the woolen mill were still out of work. For the other two-thirds, who got jobs, the average period of unemployment was about 5 months. Some 30 percent of them got textile jobs elsewhere, some as far as 64 miles from home; 50 percent took jobs in the leather products company—accepting downgrading and less pay; and 20 percent got a variety of other jobs.

WHAT HAPPENS TO JOBLESS WORKERS IN THREE TYPICAL MILLS?

Seven hundred and fifty-six were thrown out of work. A year later these were: Unemployed, 304; in other textile mills, 176; in nongrowth manufacturing industries, 120; in nonmanufacturing jobs, 90; in growth industries (except apparel), 36; in apparel industries, 30.

Growth manufacturing industries (except apparel): Fabricated metals, nonelectrical machinery, electrical machinery (including electronics), chemicals.

Nongrowth manufacturing industries: Leather and leather products, furniture, paper and paper products, printing, rubber, food and food products, jewelry, transportation equipment.

UNFAIR ACT EXPIRES JUNE 12

Mr. MALONE. Mr. President, in closing I wish to say that Congress has this matter in its own hands. All it has to do is to sit on soft cushions in air-conditioned rooms and pass nothing at all in regard to it.

At midnight, June 12, 1954, the 1934 Trade Agreements Act, called the Reciprocal Trade Act, will expire. The act is entitled "Reciprocal Trade," but it was designed to sell free trade to the American people. It expires at midnight on June 12, 1954.

At 1 minute after midnight the authority to regulate tariffs will revert to the Tariff Commission, an agent of Congress, which already has been instructed by Congress, by law, to determine the cost of producing an article in this country—not the high cost, not the low cost, but the reasonable cost of a foreign-made similar article produced in the chief competitive nation—and to recommend that amount as the tariff. The tariff will represent the difference in wages, taxes, and other pertinent factors. This will account, for example, for the difference between the 14 cents an hour Japanese worker and the $2 an hour American worker.

What will happen then? The trade agreements already made will remain in full force and effect until and unless the President of the United States serves 6 months' notice of cancellation on the country with which such trade agreement has been made. When that is done the industry so affected will come under the tariff law and will be subject to regulation on the basis of fair and reasonable competition through the imposition by the Tariff Commission, an agent of Congress, of tariffs or import fees, which the Constitution calls duties, imposts, and excises.

INFLATION CUT TARIFFS

But there is a third factor which must be considered. As the head of the Textile Association in Georgia has so well said, the inflation of 60 percent itself has lowered tariffs, duties, or excises, or whatever they may be called, 60 percent, because as the price is raised, the duty remains fixed. For example, an article costing 20 cents a yard would have a 5-cent-a-yard duty. If there were a 50 percent inflation, it would become a 40-cent-a-yard article. The duty would still be 5 cents a yard. Therefore, instead of a 25 percent duty or tariff, it would be a 12½ percent duty or tariff. That is another trick which is accomplished merely by the juggling of the money system. It is not the worst one, but it is one of the worst.

All that is necessary is that, instead of allowing the Tariff Commission, as it is now required, to fix a 50 percent leeway up or down on a fixed tariff on the basis of competition, is to give it full leeway and full right to regulate the tariff, and it will then become a fair tariff. The Tariff Commission would recommend the figure to be charged as a tariff or a duty. If the tariff is not entirely effective, let the Tariff Commission establish quotas for imports.

LEGISLATION TO RESTORE FAIR TARIFFS PENDING

I have had a bill before Congress for the last 6 years. It has been introduced in three Congresses. Some day I hope Congress will get around to it. The bill

would allow the Tariff Commission, as an agent of Congress, to consider all the factors which affect foreign competition, including the juggling of the price of foreign money. At present the subject of foreign exchange is treated as a joke.

There is what is called a peril point. The Tariff Commission determines what the peril point is at a particular time, because that is the point at which there might be injury to the domestic industry. Assume that the State Department should accept the peril point determined by the Tariff Commission. It never does, but suppose it does. Then suppose it makes a trade agreement on that basis for 3 years, and the agreement remains in full force and effect until the President serves 6 months' notice of concellation. Before the ink is dry on the notice, the foreign nation can, and almost always does, change the price of its money, and it establishes a new price to apply to the particular product affected. This, in effect, places a tariff on the money. So in minutes after that great consideration is given by the State Department, another industry has been traded off.

I simply say again that it is not necessary for Congress to pass any legislation; it is merely necessary to review the conditions of industries in the United States, and to prevent the complete annihilation of the industries by sweatshop labor competition from abroad. Simply let the act expire. Expiration is long overdue.

VIOLATION OF RURAL ELECTRIFICATION ADMINISTRATION CONTRACTS

Mr. LANGER. Mr. President, only a few years ago, throughout the great Northwest—in fact, throughout almost the entire country—farmers did not have the REA. They did not have rural electrification. If a farmer wanted to hook up with the line of a private power company, even though the line was only a quarter of a mile away, he was charged between $1,100 and $1,300.

One of the finest measures ever passed by Congress to help farmers all over America was the Rural Electrification Act. This act was so popular that in the last campaign, when Dwight Eisenhower was a candidate for President, he openly pledged, on October 4, 1952, at Fargo, N. Dak., and at various other places, that if he were elected President, REA would be extended. That was at a time when Mr. Eisenhower was looking for votes. That was before the private power companies apparently had the Government by the throat through the Department of the Interior.

The farmers of the United States believed Mr. Eisenhower. They thought the REA cooperative would continue to get loans and would continue to extend transmission lines, or at least to have the Government extend them, whereby, in turn, they could obtain electric power. The farmers expected additional money to be appropriated, so that steam plants could be built.

If ever a promise was broken by a man after he was elected, this promise was broken by Dwight Eisenhower through the men he appointed to take charge of REA.

I am a Republican. I am proud of the fact that I am and have been a Republican in North Dakota for all these years. But I remember a time only a few years ago when there was before the Senate a bill to give to the men and women who work for the Government a decent pay increase, and I told the late distinguished Senator from Ohio, Mr. Taft, that if the bill was not passed, I would ask every Federal worker in America to vote the Democratic ticket.

Mr. President, I am in a very fortunate position. I owe the Republican Party nothing. In the last presidential primary election every one of the candidates on the Republican ticket fought me. Their crowd sent their money into North Dakota to defeat me, and certain oil millionaires, headed by Mr. H. R. Cullen, of Texas, poured money into North Dakota, evidently because I was an enemy of the bill which would grant the tidelands oil to the States.

I come back to the situation relating to public power; and I say, in all seriousness, we are either going to continue to let the people have public power, as Dwight Eisenhower promised, we are either going to have an administration which is going to give small municipalities and farmers a square deal, or the senior Senator from North Dakota will be in the very forefront, saying to the rank and file of the people, "Don't believe any more promises made by the man who today occupies the White House."

I ask nothing from Dwight Eisenhower. I ask nothing from any single member of his Cabinet. There is nothing they can give me. Mr. President, every bit of allegiance which I owe is not to any party; it is to the man who is earning his living by the sweat of his brow, whether he is a Government worker in New York, a farmer in the hills and valleys of the Nation, a coal miner down in the bowels of the earth, or an ordinary, small-business man trying to survive in this day when the antitrust laws are not being enforced.

Mr. President, a shocking and startling story of disregard for law was testified to in a hearing, which I conducted yesterday afternoon, before the Subcommittee on Antitrust and Monopoly. It was charged by one of the witnesses, Mr. Truman Green, that Secretary McKay and the Department of the Interior had refused to honor a legal, valid, and binding contract between Southwest Power Association and the Central Electric Power Cooperative of Missouri, as well as other generation and transmission cooperatives in the southwestern area.

These cooperatives apparently have entered into contracts with Southwest Power Association for the sale of generated power and the lease of transmission lines to the Government. They performed their part of the contracts, and the SPA has been refusing to make the payments due under the contracts. The Central Electric Power Cooperative, after repeated efforts to obtain the moneys due it, and fearful that it would be starved out of existence, or forced to borrow money at high interest rates from outside sources—which would mean that it would have to raise the rates to the farmers and consumers—finally sued the Secretary of the Interior in the Washington courts. The court ruled in favor of the cooperative, Judge Edward Curran being the judge. According to the testimony no appeal has as yet been taken. Despite the fact that a court of competent jurisdiction has ruled that the contracts are valid and binding, and that Congress has appropriated the money to pay these obligations, the Interior Department has refused to pay the money which is legally owing the cooperatives.

There are approximately 80,000 farm families who receive power through the facilities of Central Electric Power Cooperative. The economic position and well-being of the cooperative is seriously threatened by this refusal of the Government to carry out its legally binding obligations, as reaffirmed by a court of competent jurisdiction. This despite the fact that Congress appropriated in July of 1953 a fund of $1,200,000 for precisely such payments.

Another witness, Floyd Gibson, general manager of the Oklahoma statewide electric cooperative, testified to a similar situation in the case of Western Farmers' Electric Cooperative, which services approximately 60,000 members in Oklahoma. The Western Cooperative also had a contract with SPA similar to the Missouri one to which I have just referred. By the end of March 1954 SPA owed the Western Cooperative some $106,000 for power purchased, and not one dime has been paid by SPA to the cooperatives.

As chairman of the Committee on the Judiciary and the Subcommittee on Antitrust and Monopoly, I intend to get to the bottom of things and ascertain exactly what is taking place in the Department of the Interior. Believe me, Mr. President, I will get to the bottom of it.

I shall call upon Secretary McKay and Assistant Secretary Aandahl, and Douglas Wright, SPA Administrator, to explain the situation to the satisfaction of my committee and the farmers and consumers.

The farmers have fought too long and too hard for their REA's to let the Government disregard the law and contracts, and not to have somebody in the Senate who is representing them publicly protest when the farmers are being sandbagged, and when their throats are being cut, and when they are being threatened by the very Government which should help them. This is being done not by Dwight Eisenhower himself directly, but by Mr. McKay, Mr. Aandahl, and Mr. Wright, who are his hired men, whom he can remove at will. Dwight Eisenhower was the man who made the promise to the farmers of the United States in October 1952, at Fargo, N. Dak., and other places, when he said he had consulted all the leading Republican leaders he could contact, and that they were going to be friendly to REA.

I wish to read a part of the testimony which was given under oath before my

subcommittee yesterday. The interrogator was the chief counsel, Mr. Sidney Davis, for the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary of the United States Senate. Mr. Truman Green was on the stand:

Let me see if I can get this clear, Mr. Green. Is it your testimony that the Government entered into contracts with the Central Cooperative for the lease of transmission lines, that money was appropriated for payments to be made by the Government to your cooperative under those contracts, that such moneys were never paid? Is that correct, sir?

Mr. GREEN. That is correct.

Mr. DAVIS. That subsequently you entered into interim contracts with the Government in an attempt to maintain the status quo until you could work out the situation; is that correct?

Mr. GREEN. That is correct.

Mr. DAVIS. Now, I ask you again, did the Government ever pay any rental under those contracts on those transmission lines?

Mr. GREEN. No, sir.

And he is under oath.

Mr. DAVIS. Did the Government ever pay its bills for the power which it purchased under those contracts?

Mr. GREEN. No, sir.

Mr. DAVIS. Can you tell us how much the Government owes your cooperative, roughly?

Mr. GREEN. Under our old contracts which we think are effective now, the Government would owe us approximately $750,000. That is an estimate and it is approximately correct.

Mr. DAVIS. Then it is your testimony, is it not, that the Government owes your cooperative approximately $750,000?

Mr. GREEN. That is to date.

Mr. DAVIS. For the period in question under these existing contracts?

Mr. GREEN. Yes.

Mr. DAVIS. Has the Government had the funds available to it, do you know, to pay these bills?

Mr. GREEN. We have contended all along that $1,200,000 was available, and legally so, for the operation of these contracts; and to be sure of that, when we took the issue to the courts here in the District of Columbia, last fall, to see whether that money was legally available——

Mr. DAVIS. Before we get into that, I should like to ask you how long is it that the Government has owed you this money?

Mr. GREEN. Part of the money they owed us for over 18 months. That was the beginning of our lease rental.

Mr. President, I may say at this point that the Republican administration has been in power approximately 18 months. So it is a curious coincidence, I may say to the Members of the Senate, that during the same 18 months—the first 18 months of the administration of Dwight Eisenhower, the proclaimed friend of the Rural Electrification Administration—as stated at Fargo, N. Dak., on October 4, 1952 — these cooperatives have been starving for money that Congress appropriated for them, but which they have not received up to the present time, although they have already been in court and have received judgment in their favor.

I read further:

Mr. DAVIS. Has the failure of the Government to pay the bills due you done any injury or had any bad effect on your cooperative?

Mr. GREEN. Yes.

We are in very serious financial condition due to the lack of working capital. By the purchase of coal for this steam plant and turning the power over to Southwestern Power Administration, our working capital is practically depleted.

In fact, we are now to the point where we just have not got funds to operate on. We will have to borrow the money, pay interest on new working capital, or make some other arrangement—we do not know what.

Mr. DAVIS. How will this situation affect your rates to farmers and consumers of the power from your cooperative?

Mr. GREEN. Our best estimate, if we are forced to go it alone without the lease-operating contracts as originally planned and buy power at the dam, without wheeling from the Government, the sale of steam power to the Government as was originally provided, our estimate is that the rates to the cooperative will be in the order of 12 or 13 mills.

Mr. DAVIS. Is that as contrasted to the present rate of 5.5 or 6 mills?

Mr. GREEN. Yes, sir.

In other words, Mr. President, the rates to the farmers, to the users there, would be doubled.

It is very interesting to read the correspondence between the Government and one of the cooperatives. I have before me a letter dated April 7, 1954, addressed to Douglas McKay, Secretary of the Interior, and Douglas G. Wright, Administrator of the Southwestern Power Administration, at Tulsa, Okla. The subject matter is the Southwestern Power Administration contracts. The letter and the reply to it are among the most interesting letters which I believe any Senator will have seen for a long time. The Government owes this cooperative $750,000, and a court of competent jurisdiction has held that the cooperative is entitled to that amount. Furthermore, under the contract, there is no question at all that the cooperative is entitled to it. The cooperative wrote the following letter to Mr. McKay and Mr. Wright:

GENTLEMEN: The United States District Court for the District of Columbia has ruled that Congress did appropriate money for the current fiscal year from which the two contracts between Central Electric Power Cooperative and the Southwestern Power Administration may be implemented and carried out.

The court also ruled that your failure—

That is to say, the failure on the part of the United States Government—

and refusal to carry out the two contracts was illegal and outside the scope of your authority.

Mr. President, a Federal judge in the District of Columbia ruled that Mr. McKay and Mr. Wright were proceeding illegally and outside the scope of their authority.

The letter continues, as follows:

You have received a copy of the order of the court. The decision was rendered by a judge who had previously served as United States district attorney for the District of Columbia, and who, by reason of that experience, is probably one of the most experienced Federal judges in matters of the type involved in the case brought by the Central Electric Power Cooperative.

The board of directors of the Central Electric Power Cooperative feels strongly that as a matter of fair play and good conscience it is entitled to have the department abide by the decision of the Federal court.

Mr. President, here are 80,000 farmers, 80,000 users, begging the Government to carry out a solemn contract entered into by the Government with the cooperative. The letter continues:

In addition there is no reason for the Department to take over the operation of Central's transmission lines. The effect of complying with the court's order would be only to compensate Central pursuant to the terms of the contracts, which the court has held Central is legally entitled to have done.

The board of directors of Central is of the firm opinion that failure by you now to carry out the two contracts in the manner authorized by the order of the Federal court demonstrates that you either are attempting to delay performance for a sufficient time to avoid any performance, or that you have reason for such action not known and not communicated to us.

The board of directors ask that you immediately arrange to carry out the two contracts with Central as authorized by the Federal court. If for some reason you refuse to do so, we request that we be notified immediately and that you advise us in detail the specific grounds for refusing to perform as authorized by a United States court of competent jurisdiction.

Very truly yours,

CENTRAL ELECTRIC POWER COOPERATIVE,
STEVE A. SCHAUWECKER,
President.

After that letter was read into the record Mr. Davis, the chief counsel for the subcommittee, asked:

Mr. DAVIS. Did you receive a reply to this letter?

Mr. GREEN. Yes, sir.

Mr. DAVIS. Do you have it with you, sir?

Mr. GREEN. Yes, sir.

Mr. DAVIS. What is the date of the reply?

Mr. GREEN. It is dated April 16, 1954.

Mr. DAVIS. By whom is it signed?

Mr. GREEN. It is signed by Fred G. Aandahl, Assistant Secretary of the Interior.

Mr. DAVIS. We will admit this in the record.

(The letter is as follows:)

UNITED STATES DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., April 16, 1954.

Mr. STEVE A. SCHAUWECKER,
President, Central Electric Power Cooperative, Jefferson City, Mo.

MY DEAR MR. SCHAUWECKER: This letter replies to your letter dated April 7, 1954, addressed jointly to the Secretary of the Interior and the Administrator, Southwestern Power Administration, relative to two contracts between the United States and Central Electric Power Cooperative which are involved in the case of *Central Electric Power Cooperative* v. *Douglas McKay* (U. S. District Court for the District of Columbia, Civil Action No. 4786-53).

In response to a request for our views, this Department has recommended to the Attorney General that the Government take an appeal from the order issued in this case by Judge Curran, dated March 29, 1954.

This recommendation was based on reasons which were set forth at length in the memorandum submitted by the Department in support of defendants' motion to dismiss and for summary judgment. Copies of this memorandum were served on your attorneys in this action.

Sincerely yours,

FRED G. AANDAHL,
Secretary of the Interior.

I shall not go into detail today. I have before me the decision of the judge who heard the case, a judgment granting the motion of the Central Electric Power Cooperative for summary judgment.

sought by the distinguished Senator from Nebraska [Mr. BUTLER] or by the chairman of the committee, I would certainly strongly recommend that ample notice be given, so that all Members of the Senate would be advised, because once the Senate has acted on a measure, I think it only fair not to have such a motion called up without advance notice. Although there is no rule on this subject, I should think that, normally, at least 2 days' notice should be given, so that any Senator could return if he happened to be away—even if he happened to be as far away as the Pacific coast.

I cannot give any guaranty, but I certainly would strongly recommend that such advance notice be given if the motion is to be called up.

Mr. President, at this time I should like to refer, briefly, to another matter.

The PRESIDING OFFICER. The Senator from California has the floor.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, let me state that when the Senate completes its action on the pending bill, S. 2802, relating to fisheries, in view of the fact that it is now 4:15 p. m., I propose that the Senate merely make as the unfinished business House bill 116, Calendar No. 1205, relating to prohibition of the transportation of fireworks in any State in which the sale or use of such fireworks is prohibited. Announcement has previously been given regarding that bill; but we do not propose to have the Senate vote on the bill today. It is proposed that after that bill is made the unfinished business today, the Senate take a recess until Monday, at 12 o'clock noon.

On Monday, as I have previously announced, it is planned to have a call of the calendar of bills and other measures to which there is no objection, beginning at the point where the last call of the calendar ended; in other words, beginning with Senate bill 3373, Calendar No. 1276, to revise the Organic Act of the Virgin Islands of the United States.

When the call of the calendar has been completed, it is proposed to have the Senate return to what I hope will then be the unfinished business, namely, House bill 116, Calendar No. 1205, the so-called fireworks bill—assuming that by then we have disposed of the bill now pending, Senate bill 2802, relating to the distribution of fishery products.

On Tuesday, we expect to take up the independent offices appropriation bill, House bill 8583; it is planned to lay aside any business then unfinished, in order to dispose of that appropriation bill.

By Tuesday of next week, when the minority leader has returned, I expect to consult with him about another series of bills, and thereafter to make an announcement to the Senate.

In addition, as previously announced, Senate bill 975, Calendar No. 1190, to amend the Home Owners' Loan Act of 1933, as amended, has been scheduled for consideration. I have been requested by the minority to hold up action on that bill at least until Monday. I now understand that the Senator from Illinois will be out of town; and I believe that the minority desire to have action on that bill go over, if possible, until Wednesday. I shall try to make arrangements to that end, so the bill will not come before the Senate before Wednesday.

I desire to state to the Senate, as more or less of a plea, that it is very difficult for any majority leader who is trying to schedule proposed legislation, both to attempt to meet the needs of individual Senators on both sides of the aisle and at the same time to keep the legislative program moving along, so that it may be possible to have the Senate adjourn sine die by July 31, for I find that when an attempt is made to oblige one Senator, very often a Senator on the other side will find the arrangement inconvenient to him. But I have tried, and I shall continue to try, as long as it is possible, in keeping with the legislative program, to work out arrangements so that the schedule will be generally agreeable.

I merely wish to make this announcement, so that all Members of the Senate may be fully advised.

DISTRIBUTION OF FISHERY PRODUCTS

The Senate resumed the consideration of the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes.

Mr. SMATHERS. Mr. President, several years ago there appeared in the waters along the gulf coast of the United States a group of what are referred to as micro-organisms which have the characteristics of both animal and plant life. They have come to be commonly known as the "red tide," and have the same characteristics as those of the "red tide" that is of vital consequence in other areas of the world.

This particular "red tide" appeared in the waters off the gulf coast of the United States, wherever the waters of the Gulf of Mexico touch the United States. It produces a poisonous waste product which is absorbed into the bloodstream of fish, with the result that in a short time they die.

Mr. President, whenever the "red tide" appears off the coast of Florida, Louisiana, and Texas, billions of fish die and are found floating on the surface of the water. That is of tremendous consequence to the people of Florida and to the people of other States along the Gulf coast, not only because of the loss of the fish and the consequent reduction in activity on the part of commercial and sports fishermen in that area; but also because of the fact that when the dead fish float up on the beaches and begin to deteriorate, the odor is so obnoxious that the use of those areas for recreational, resort, and vacation purposes is most adversely affected. As a result, the property owners have been very much distressed, and there have been great resultant losses in income to the States of Florida, Louisiana, Texas, and other States on the Gulf coast.

In order to give the Senate some idea of what actually happens in that connection, I wish to read a letter I have received from the Chamber of Commerce of Sarasota, Fla.:

CHAMBER OF COMMERCE,
Sarasota, Fla., May 8, 1954.

Hon. GEORGE SMATHERS,
Senate Office Building,
Washington, D. C.,

DEAR SENATOR SMATHERS: The extent of damage and loss due to the "red tide" is incalculable, but very real and potentially astronomical. It is possible only to hint at dollar figures because of the many intangibles involved. In January a research team of the marine laboratory of the University of Miami made a hasty on-the-spot survey, covering a 2-month period only, that showed a loss of over a million dollars in tourist income and to commercial fishing. Here is their breakdown:

	Tourist loss	Commercial fish
		Pounds
Palmetto	$10,000	80,000
Bradenton Beach	210,000	600,000
Bradenton City	200,000	60,000
Sarasota Beaches	280,000	200,000
Anna Maria Island	50,000	10,000
Total	750,000	950,000

At a retail rate of 33 cents per pound, the loss in commercial fish amounts to $313,500 which, coupled with a three-quarter-million-dollar loss in tourist revenue gives a total figure of $1,063,500.

Project this figure back through August 1953, when the tide appeared, and extend it to the rest of the affected area; add to this the losses in retail sales, real-estate sales, construction, and other factors and the sum becomes truly astronomical.

Fortunately for the entire west coast of Florida there were no large-scale fish kills by the "red tide" during the height of the season, from January 15 to April 1, when Sarasota alone was host to more than 50,000 winter visitors. If the tide had returned during that period, littering the beaches with dead fish and accompanied by the noxious gas it produces, there would have been a mass exodus of tourists that could have bankrupt many accommodations owners dependent entirely on tourists and many businesses indirectly dependent on the tourist trade.

Sarasota County alone has an investment of more than $100 million in tourist facilities and businesses dependent on a healthy tourist trade.

More important than any actual dollar loss that has occurred, which, of course, has been considerable, is the potential and intangible loss that the mere fact of continued existence of the "red tide" creates.

Who will invest hard-earned capital in the construction of new tourist facilities, or businesses catering to tourists, or catering to those who cater to tourists—which takes in practically every type of business in a resort area—with the threat of a "red tide" ever in the offing?

The value of real estate and property in the affected area is at a standstill, if not actually declining. If the "red tide" persists—with ever more frequent severe outbreaks, as seems to be the case—it will cause a depression of major proportions along the entire lower Florida gulf coast—while the rest of Florida and the Nation continues to enjoy prosperity and growth.

Sarasota County has been growing at the rate of 15 percent per year since 1950, with a more than 100-percent increase in population since the close of World War II, as the attached statistical data sheet demonstrates. Assessed valuation of the county (assessed at a one-third basis) has increased from $30 million in 1946 to $62 million in 1953.

It is this healthy growth that is threatened. We have no industry to speak of and agricultural activity does not count for more than 25 percent of the economy, if that much. It is because Sarasota County is a wonderful place to live and to visit that it is growing.

The "red tide" can—and is—nullifying all of the favorable factors.

We used to have a mosquito problem which retarded our summer growth and tourist activity, but we got together and licked that situation through ditching, drainage, and other control measures.

We are ready to do the same thing with the "red tide" if someone will tell us what to do.

The "red tide" is beyond the scope of any presently known control measures.

We don't know what to do.

That's why we're appealing to the Federal Government—as would any section of the American people who are faced with a natural disaster beyond their scope or control.

We hope that every possible resource of the Government, through the United States Fish and Wildlife Service of the Department of the Interior, can be thrown into research to solve this problem.

Sincerely,

TOD SWALM,
Manager.

Mr. President, I now read from a letter which I have received from the Bradenton Chamber of Commerce:

MAY 8, 1954.

Hon. GEORGE SMATHERS,
United States Senator,
Senate Building, Washington, D. C.

DEAR SENATOR SMATHERS: It is difficult to calculate definitely in dollars and cents the amount of damage that has been done, or may be done, by the reappearance of the red tide.

We have a $4 million commercial-fishing business at Cortez, and when this red tide strikes the area, it practically puts this industry out of business, not only at the time it occurs, but it is far reaching. It kills the fish, it kills the market, and the buyers are not interested for some time after it has done its damage.

Also, our sports fishing is destroyed by the red tide. This is a big industry and a great attraction, not only for our own citizens, but for our visitors. It is just as devastating to the tourist business as it is to the fishing industry. There is a large investment in motels and other living accommodations on the island, which depend almost solely on rental of property. When the red tide strikes, the tourists leave, and many of them who are there for the first time will leave and spread the news abroad. It is more far reaching than at the time it occurs, because investors are not interested in building motels or living accommodations, with the threat of the red tide hanging over them. If it strikes at any particular area, it affects the entire west coast of Florida.

We believe that you could be of no greater service to this community than to insist that money be made available to increase research facilities for the study of the cause, and especially for some remedy.

I shall not burden the Senate with any further reading of numerous telegrams and letters received by me. I therefore ask unanimous consent to have printed in the body of the RECORD, following the letters which I have just read, a telegram from the Clearwater, Florida, Chamber of Commerce, in which it is stated, in essence, that the "red tide" damage has already amounted to approximately $3,750,000 in the past 12 months.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CLEARWATER, FLA.

Senator GEORGE A. SMATHERS,
Senate Office Building:

In Clearwater alone "red tide" damage has already amounted to $3,750,000. Party and charter boat loss of revenue, $500,000. Commercial fishing industry loss, $250,000. Loss to hotel, motel, restaurant, and other service industries $3 million. Considerable effect is still being felt as result of tide, which would make eventual total loss considerably more than figures given.

PAUL H. FICHT,
Manager-Secretary, Clearwater Chamber of Commerce.

Mr. SMATHERS. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point a telegram received from the Lee County Chamber of Commerce, Fort Myers, Fla., stating that it is estimated that more than half a million dollars has been lost to this area due to canceled reservations, shortened vacations, and the lack of commercial fishing, because of the "red tide" rumor.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

FORT MYERS, FLA., *May 10, 1954.*

Senator GEORGE SMATHERS,
Senate Building:

Estimate half-million-dollar loss this area due to canceled reservations or shortened vacations and people afraid to stop here because of "red tide" rumors. This office constantly receives letters from prospective tourists inquiring if it is safe to vacation in this area because of "red tide."

ALAN J. ROBERTSON,
Manager, Lee County Chamber of Commerce.

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram received from the Chamber of Commerce of St. Petersburg, Fla., stating that the damage to that area is estimated to total hundreds of thousands of dollars and asking that Congress take appropriate action to curb the "red tide."

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

ST. PETERSBURG, FLA., *May 10, 1954.*

Hon. GEORGE SMATHERS,
Senate Office Building:

Re telegram May 7, relative loss and damage "red tide" infestation. Pinellas County area has not had serious infestation since 1947. Loss and damage this area account recent infestations Bradenton-Sarasota area impossible estimate, although actual loss of business our area account notoriety applied to entire west-coast area. Sarasota has advised you their estimate most recent infestation affecting their area. The 1947 infestation affecting this area practically stopped use tourist accommodations on the gulf beaches for 6 weeks. Loss and damage never actually estimated, but would total hundreds of thousands of dollars. Any new or rumored infestation affecting this area would be of tremendous economic impact on entire area with lasting result because of notoriety. Hope you will do everything in your power to assure continuance investigation and development method of assuring precautions, and that if any future infestations be properly and quickly combatted.

WILLIAM F. DAVENPORT,
Manager, St. Petersburg Chamber of Commerce.

Mr. SMATHERS. Mr. President, I have received a letter from the wife of a commercial fisherman and ask the indulgence of the Senate while I read it.

CORTEZ, FLA., *May 10, 1954.*

DEAR SENATOR SMATHERS: I am writing to you as a wife and mother to see if there isn't something that can be done to keep the fishermen out here. You see my husband is a commercial fisherman, and this red tide has certainly hurt us.

We have 2 children in school, 1 in the seventh grade and 1 in tenth grade, and we need some kind of help. Fishing is very bad here and so do other families need help. I hate to see my children do without so much of the necessities (not luxuries) as they need so many things. They both need dental work and my daughter needs her glasses changed, as she has been wearing the same one for over 3 years, and they aren't doing her eyes any good anymore. But we can't do these things for them. Also my husband needs dental work done and an eye examination very badly. We live in a trailer here in Cortez, have rent to pay and we owe almost $300 on the trailer to a finance company, and can't make the payments. I am afraid they will take it away from us. We are having to buy groceries on credit and have quite a bill with the grocery store, all because fishing is so bad here. He didn't make any money this past week nor did he make any the week ending April 24, and such small amounts other weeks that we can't possibly pay all of our bills, and we are having a terrible struggle. We aren't alone as there are other families here in Cortez having difficulty, also.

Couldn't there be something done for the fishermen like the farmers have of getting help when they have crop failures and get Government help. I think this bears looking into as the fishermen need help.

I sure hate to see my children have to do without necessities that are needed for their health and welfare. During the past 4 weeks my husband's pay has been $91.18, and that isn't enough for four people to live on and have dental care and clothing, which is much needed.

I know that you could get some kind of support for the fishermen if anyone can, and I would do all I could to help if I could.

Thank you for reading this letter and I hope that there can be some kind of aid for us.

Yours truly,

Mrs. J. E. NEYLAND.

For the reasons stated, Mr. President, I am very much in favor of Senate bill 2802. I have listened to discussion and debate in the committee, and to the testimony which was given by the witnesses as to what could and should be done in order to protect the fishing industry. They all advocated an expenditure for research into the causes for what is now happening to the oyster beds, the shrimp beds, the cod, mackerel, and other fish along our coasts. It seems clear to me that something should be done immediately to provide funds for such purpose.

I understand, in connection with the bill, there is to be an agreement that the amount of money which will be used for research to improve the situation so far as shrimp, oysters, and all other forms of fish life are concerned, shall be limited to $3 million. I am sorry it is to be limited to $3 million; but I recognize that there may be justification for it.

I think this is a desirable and a satisfactory bill and certainly the $3 million which we are asking, for a period of only 3 years, is a reasonable amount. It is fair to say that the fishing indus-

try is entitled to it, because, as I understand, the money comes originally from the tax levied on the importation of fish. It is not an additional appropriation or a subsidy, but merely a transfer of funds. It seems to me that if the source of the money is the fish which are caught in waters outside the United States and imported into the United States, certainly 30 percent of that money could be used to develop and improve the fishing industry of the United States. It is not enough, but at least it would be a start toward something which is indeed worthwhile.

I yield the floor.

Mr. AIKEN. Mr. President, my opposition to Senate bill 2802 is not based upon any desire to withhold such funds as may be necessary to carry on adequate research in the fishing industry. Rather, my opposition is based upon the fear that the method by which the proponents of the bill propose to get the funds may be the first step toward chipping away the money which is available and which has been authorized by the Congress for sustaining an adequate farm program in the United States.

The bill proposes to take from the section 32 funds already appropriated to the Department of Agriculture that part which is derived from the tariff on fish, fish products, and other seafoods. This amounts to $3 or $4 million a year. It seems like a very small amount, considering the sums with which we deal in Congress; but, in view of the fact that it might establish a precedent and constitute an invitation to others to start chipping away at agricultural funds, I feel that the bill is not good legislation.

As Senators know, section 32 funds represent 30 percent of the customs duties, and the 30 percent is dedicated to the removal of surpluses of agricultural commodities and the development of new markets by the use of such surpluses.

Section 32 funds amount to substantial sums. In the past few years we have received from that source from $100 million to $172 million. I believe the year 1952 was the year of the largest receipts.

Of this sum, $1½ million may be devoted to the removal of surplus fish and seafood from the market, but it has not been necessary to use this fund for that purpose to any great extent, for the simple reason that in most years we have been confronted with a shortage rather than a surplus of fish and other seafoods.

For the most part, section 32 funds have been used for the purpose of removing perishable or nonbasic commodity surpluses from the market. In fact, the law provides that they shall be used principally for that purpose. They have been used from time to time for the purchase of apples, raisins, beef, cranberries, turkeys, poultry products, and many other products. I believe that, dollar for dollar, our agricultural support program derives more benefit from section 32 funds than from any other source.

During the past year we have carried on an extensive program for the purchase of low-grade beef; and as a result the price of canners and cutters has gone up from 6 or 7 cents a pound, or $6 or $7 a hundred last fall, to between $11 and $14 a hundred at the present time. When these commodities are taken off the market they must be disposed of. The school-lunch programs afford an opportunity to dispose of them to a large extent, and such commodities have been devoted extensively to school-lunch programs. In fact, in the State of Massachusetts alone, where 383,000 students enjoy school lunches, more than $3 million worth of surplus commodities have been contributed by the Commodity Credit Corporation over the past 9 months.

I know that this fund looks very inviting to those who want to get money without having it show up in an appropriation bill. They point out that in certain years there has not been used for the removal of agricultural surpluses all the money which has been available in section 32 funds. That is true. During the 2 years of the Korean war it was inadvisable to spend all the available funds, and a considerable sum of money was turned back into the Treasury. The law permits the fund to accumulate to the amount of $300 million, and last July it had accumulated to the maximum amount; there was $300 million available. Added to that amount was—I do not have the exact figure before me—approximately $160 million, which was also available.

This year, with the large beef-buying program which we have had to undertake, and the purchase of other surplus commodities, we shall spend an estimated $228 million of section 32 funds, which will reduce the revolving fund from the $300 million level of July 1953, to approximately $244 million as of 1954. If we keep it up we may find ourselves at the point where $4 million a year taken out of this fund will represent a real loss to our agricultural programs.

We do not know how much of this money we will have to spend this year. It depends on the weather, and on conditions generally. No one can foresee what will be necessary to be done. That is why this fund must be kept flexible and stable, to be used whenever it is necessary to use it.

It is possible to use only 25 percent of the fund for the purchase of any one commodity. Had it not been for the $300 million carryover, plus the current receipts of 1952, we would have been unable to undertake the expensive beef-buying program which was inaugurated last year.

This year it is entirely possible that we may again have to purchase huge quantities of beef, because it is anticipated that there will be a very heavy culling in the dairy herds after the spring season.

Section 32 funds are also used for subsidizing exports. In that field we have spent in the past few months $8 million; $3,200,000 for subsidizing exports of citrus fruits, $2,800,000 for wheat, and $1,500,000 for raisins, and I suppose a smaller amount for some minor commodities as well.

The Department of Agriculture objects very strenuously to having these funds chipped away. When the bill was introduced on January 22, it was, in accordance with custom, submitted to several departments of the Government, to get their opinion on it. Those opinions were received at various times, and they are printed in the report of the hearings on the bill.

Some of the agencies stated they were not concerned with it. The State Department was very much concerned about it and stated it believed full consideration should be given to the views of the Bureau of the Budget.

The Bureau of the Budget very evidently does not approve of this bill. If it does, it has failed to say so anywhere in the RECORD.

As I have said, the bill was introduced on January 22. On February 26 a letter was received from the Department of Agriculture in which the Department very strongly opposes the legislation and states that the Bureau of the Budget advises that it has no objection to the submission of the Department's report.

Later on the Department of Agriculture made another very strenuous objection to the enactment of this bill.

I ask unanimous consent to have the letter of the Department of Agriculture, under date of February 26, 1954, and the statement submitted by the Department printed in the RECORD at this point in my remarks.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., February 26, 1954.

Hon. JOHN W. BRICKER,
Chairman, Committee on Interstate and Foreign Commerce, United States Senate.

DEAR SENATOR BRICKER: This is in reply to your request of January 25, 1954, for a report on S. 2802, a bill to further encourage the distribution of fishery products and for other purposes.

The bill would amend the act of August 11, 1939 (Public No. 393, 76th Cong.). Section 1 of that act authorizes the Department of Agriculture to use each year from section 32 funds an amount not in excess of $1,500,000 for the purchase and distribution, through public and private relief channels, of surplus fish and fish products. Section 2 of that act authorizes this Department to transfer annually to the Department of the Interior $175,000 of such sum for the development of domestic markets and for conducting a fishery educational service with respect to fish and fish products.

The bill would amend section 2 of the act. It would require that each year the Secretary of Agriculture transfer to the Secretary of the Interior an amount of section 32 funds equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products. These moneys would be maintained in a separate fund by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery research programs, and to develop and increase markets for fishery products. The Secretary of the Interior would be further authorized to retransfer funds available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of the act, i. e., the purchase and distribution of surplus fishery products.

On the basis of the duties collected on fishery products during 1953, the bill would

require the annual transfer of approximately $3 million of section 32 funds for the above purposes.

The Department does not believe that a mandatory assignment of section 32 funds should be made each year for use in connection with fishery products, without any determination as to the need of such products for marketing assistance. Surpluses vary from year to year among the different commodities for which section 32 funds may be used. It is desirable, therefore, to retain maximum flexibility in the administration of such funds for procurement and distribution of commodities according to the relative importance of the surpluses.

With respect to the increase in funds for educational, developmental, and research programs on fishery products, the Department of Agriculture—through the Agricultural Research Service—conducts research in nutrition and in the utilization of agricultural products, including fish, as food and also maintains educational service to homes and institutions regarding all food products. The Department, through its plentiful foods program, works with the food trade to promote the distribution and consumption of those foods, including fish, which are in surplus supply. It would not seem advisable to expand such services in another department not primarily concerned with the marketing and utilization of food products.

In view of the above, this Department recommends against passage of the bill.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Under Secretary.

STATEMENT OF THE UNITED STATES DEPARTMENT OF AGRICULTURE

This statement is in response to a request from the chairman for the views of the United States Department of Agriculture relative to S. 2802, a bill to further encourage the distribution of fishery products, and for other purposes.

This bill would amend the act of August 11, 1939 (Public Law 393, 76th Cong.). Under section 22 of the Agricultural Adjustment Act an amount equal to 30 percent of gross customs receipts, together with certain carryover balances, is made available annually to the Department of Agriculture for the removal from the market of agricultural surpluses including fishery products, and for the general purpose of expanding markets for agricultural commodities. Section 1 of Public Law 393 authorizes the Department of Agriculture to use each year from section 32 funds an amount not in excess of $1,500,000 for the purchase and distribution, through public and private relief channels, of surplus fishery products. Section 2 authorizes the Secretary of Agriculture to transfer annually to the Department of the Interior $175,000 of section 32 funds of which $75,000 shall be used to conduct a fishery educational service and $100,000 to develop markets for fishery products of domestic origin.

The bill before the committee would amend section 2 of the act of 1939 referred to above. It would require that each year the Secretary of Agriculture transfer to the Secretary of the Interior an amount of section 32 funds equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products. These moneys would be used by the Secretary of the Interior for conducting fishery educational and research programs, as a means of developing and increasing markets for fishery products. The Secretary of the Interior would be further authorized to retransfer funds available under this amendment to the Secretary of Agriculture to be used for the purchase and distribution of surplus fishery products under section 1 of the original act.

The amount of section 32 funds required to be transferred from the Department of Agriculture to the Department of the Interior would be equal to 30 percent of the customs receipts collected on fishery products. Based upon annual customs collections since 1939, this sum would have ranged between $612,000 and $3,164,000. For the current fiscal year, this 30 percent provision would have resulted in the transfer of approximately $3 million.

The Department of Agriculture cannot approve this bill, inasmuch as we are strongly opposed to the mandatory assignment of section 32 funds for use in connection with any particular commodity or product, including fishery products. The main purpose of section 32 programs is to increase the consumption of surplus products through direct purchase for distribution outside normal channels of trade, through encouragement of exports, through diversion to byproducts or other new or additional uses, and various other means (for example, encouraging the increased normal use of plentiful foods during certain seasons). The Congress has further indicated that section 32 funds shall be used principally for perishable products rather than for those major farm commodities which are subject to mandatory price support.

In effect the Congress has provided for a very flexible program, vesting considerable administrative discretion in the Secretary of Agriculture, and we believe that this should be continued. In our opinion the distribution of surplus foods should be carried forward through an orderly machinery, administered by one department of the Federal Government both in the interest of efficiency, and of preventing duplication as among various distributive agencies and confusion at the local level.

In this connection we are not altogether clear whether the retransfer of funds provided for purchase and distribution activities is in addition to or in lieu of the funds otherwise available for fishery products under section 1 of the original act.

Section 2 (a) of the bill before the committee does, howeve,r raise a separate question from the purchase and distribution matters discussed above. This section provides that the section 32 funds which are to be transferred to the Secretary of the Interior shall be used for conducting a fishery educational service and fishery technological, biological, and related research programs in such a way as to assist in increasing markets for fishery products of domestic origin. The Department of Agriculture is not opposed to such activities as these. As already indicated, current statutes do provide for the transfer of $175,000 of section 32 funds each year to the Secretary of the Interior for education and market development.

But if this work needs to be increased, we do raise the question as to the most appropriate method of providing the necessary authority and funds. Customs receipts, especially from particular products, vary from year to year whereas research and education are, as a rule, the kind of activities which need to be built up gradually, after which they should be maintained for a considerable period of time at a fairly stable level. As a result, we feel the committee should consider whether it would not be more desirable to provide for such activities through the regular appropriation structure, which is the manner in which most research and related educational activities are now financed.

We realize the point has been made that some section 32 funds have been returned to the General Treasury. But we do call the committee's attention to the fact that section 32 expenditures for the current fiscal year as well as prospective section 32 expenditures for the coming fiscal years are in excess of the new funds available so that the section 32 carryover is now being reduced.

In conclusion, the United States Department of Agriculture believes that legislation in accordance with the section 32 fishery bill now before the committee would constitute a substantial step toward fragmentation of the section 32 appropriation and must as a result recommend against enactment of such legislation.

Mr. AIKEN. Mr. President, one favorable report on the pending bill was received. It was from Mr. Orme Lewis, Assistant Secretary of the Interior. Mr. Lewis approved the bill and approved the effort to take $3 million, or approximately that amount, from the funds already appropriated to the Department of Agriculture and to transfer them to the Department of the Interior.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. AIKEN. I should like to finish one more sentence. Mr. Orme Lewis' letter is dated April 1, 1954, more than 10 weeks after the bill had been introduced. I shall read the last sentence of Mr. Lewis' letter:

> Since this is a revised version of a report originally submitted to the Bureau of the Budget and in view of the urgency of making a report to your committee, it has not been possible to obtain the views of the Bureau of the Budget on this revised report.

Yet other agencies of the Government had obtained the views and the approval of the Bureau of the Budget to their adverse report more than a month earlier. It seems to me, Mr. President, that in wating 10 weeks and then saying that he did not have time to obtain the views of the Bureau of the Budget, he was simply trying to bypass the Bureau of the Budget. No other conclusion can be drawn.

Mr. President, I do not like this way of legislating. I do not like this effort to chip away the funds of the Department of Agriculture which is used in our farm programs.

It is not good legislation. It is a hidden appropriation. It is an appropriation made to one department and charged to that department, and then the effort is made to transfer a part of the appropriation to the use of another department. If it is advisable to find more money for fisheries research, I see no reason why an appropriation cannot be made for that purpose.

There is no function authorized in the bill which has not been previously authorized by law. The only difference is that, instead of adding it to the appropriation bill, the proponents of the pending bill seek to take money which is already appropriated to the Department of Agriculture.

I have suggested that they take—although I do not approve of making appropriations in that way—money from that part of the tariff receipts which is not already dedicated to some other objective.

Even in connection with the wool bill the woolgrowers and the wool manufacturers and others who supported that bill made no effort to take away from the Department of Agriculture the 30 per-

cent of the tariff receipts already dedicated to a very important purpose.

So far as I know, this is the first effort which has been made in this direction. I do not approve of it. I do not believe the bill, in its present form at least, should become law. I believe that we should be ready at all times to step in where price-breaking surpluses appear and use the funds to the best advantage in order to stabilize our agricultural economy.

I realize it is growing late, Mr. President, and I do not wish to bore the Senate any longer. I do not believe this is the proper way to legislate, and I cannot understand why the proponents of the bill will not put their project on its own feet and request an appropriation for it. Section 32 funds are dedicated to the removal of surpluses. The pending bill, which proposes to chisel into section 32 funds, is said to be dedicated to preventing shortages and to increasing the number of fish so that those engaged in the fishing industry can make a living.

Mr. HOLLAND. Mr. President, I wish, first, to commend the statement of my distinguished colleague [Mr. SMATHERS] with reference to the urgent problem recently existing on the west coast of Florida—the red tide—which is one of the many problems which the funds made available under the provisions of this bill will allow us to solve by exerting more adequate efforts better to serve not only the industries immediately affected but the general public of the Nation.

I wish to say, Mr. President, that I agree completely with the distinguished Senator from Vermont that the method adopted under this bill for financing this program are unfortunate, and yet I feel that the emergencies existing not only in the Gulf coast area, but in the Atlantic area of my own State and elsewhere in the Nation are so great that we are justified in temporarily adopting this measure in order that immediate progress may be made in solving the problems which so heavily press upon us.

I do wish to say, however, not only for myself, but for the distinguished junior Senator from Georgia [Mr. RUSSELL], who was called from the Chamber a few moments ago, and at his request, that we regard this measure as a temporary one, insofar as the method of financing this far-flung effort is concerned. We have gladly agreed in informal conference to the enactment of this measure including the method of financing it for a period of 3 years.

Mr. THYE. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I shall be glad to yield in a moment.

We believe that a 3-year trial period will manifest the advantages of the program and that it will be easy thereafter to support the program through appropriations from the general revenue funds. Both the distinguished Senator from Georgia and myself—and I am sure I speak for many other Senators who have the same feeling—are completely willing at this time to have this activity financed through general revenue funds, and we believe that the program to be advanced will manifest its importance so greatly in the 3-year period that it will be an easy matter to continue it in the years to follow that 3-year period.

Before leaving this point, however, Mr. President, I wish to make it clear that many of us feel it is an experimental, emergency program, and that it should justify itself, as we believe it will justify itself, within the 3-year period, so that there will be no problem with reference to securing additional revenue after that time from general funds.

I now yield to the Senator from Minnesota.

Mr. THYE. Mr. President, I should like to comment on the point just made by the able and distinguished Senator from Florida. It is very important to bear in mind that the bill does not involve permanent legislation in the sense that we are going to continue to take section 32 funds in order to finance the program. I think the Senator is entirely justified in inviting attention to the fact that it is only for 3 years. If the research project proves its merit, then a direct appropriation should be made to carry on the function.

We request funds under section 32, because there is a substantial balance on hand, and we desire to make a trial run in the field of research for the benefit of those who are engaged in fishing operations.

I wish to concur in the statement which the distinguished Senator from Florida made, to the effect that this bill should not be looked upon as permanent legislation. It must be recognized as covering an emergency situation. It is a research undertaking, and we are seeking temporarily to finance it by this method, because there is a substantial balance of section 32 funds.

I wish to emphasize the fact that the only reason I support this proposed legislation, and the only reason I am a cosponsor of the bill, is that it has to do with a research project. We wish to find out what the fisheries problems are. If there is need to continue research, we should have a direct appropriation.

Mr. HOLLAND. I thank the distinguished Senator from Minnesota, and I am completely in accord with his expressions.

If I may hurry along, Mr. President, let me say that the State of Florida happens to have the most extensive coastline of any State in the Nation—approximately 1,200 miles. As an incident, we have a large and very varied group of marine industries. We are tremendously interested in the objectives of the bill which is before us. I personally feel that those who are engaged in marine industries in my State are just as much entitled to our sympathetic consideration as are those who are engaged in agriculture.

So it is a pleasure to support as temporary legislation this particular measure.

The State of Florida produces great quantities of food fish and great quantities of fish for the production of oil and fertilizer. We produce large quantities of shrimp, sponges, and shellfish of a great many varieties. This measure is of great importance to us.

Not only have amendments been agreed upon in good spirit by all of us on both sides of the aisle, limiting the period of this program to 3 years, but also limiting the amount to be spent each year to $3 million, and likewise providing that there shall be a full report made annually by the Secretary of the Interior to the Congress showing the exact nature of the program and reporting the progress made.

Other safeguards have been recommended, and amendments will be introduced shortly.

The objectionable feature of the bill is that we reach into section 32 funds which, insofar as the producers of the great majority of agricultural production in this country are concerned, are the only substantial source of help to which we can turn for Federal financing in the event of surpluses or the occurrence of unusual problems.

So far as Florida is concerned, our three greatest agricultural industries are the production of citrus fruits, vegetables, and cattle. For these we have no support-price programs. We have asked for none, and we want none. But we have found occasions when we very badly needed a little help by way of the removal of surpluses, or, since the war, by way of assistance in reestablishing our export business. In one form or another such help was made possible through a judicious use of section 32 funds.

Mr. AIKEN. I desire to point out something which I forgot in my earlier remarks, namely, that this year we may possibly have to call extensively on section 32 funds, because of the large plantings of vegetables and other crops on the acres which have been diverted from the production of wheat, corn, and cotton. Probably the farmers who have planted on this land which has been taken out of the production of other crops should not be considered eligible for price supports. But that is not where the trouble comes from. The trouble comes from the old, regular vegetable producing areas, which will have to meet the competition which will arise as a result of the plantings on land withdrawn from the production of wheat, corn, and cotton.

So it may be that we shall have to call extensively, possibly to the extent of many millions of dollars, on section 32 funds in order to stabilize the vegetable situation.

Mr. HOLLAND. The Senator from Vermont, as usual, is exactly correct in reference to the problem which will likely face us this year. I have just said that, insofar as the principal crops in my own State are concerned, we have had to look occasionally, but not often or not for great amounts, to section 32 funds, on which perishable crops which do not have price supports are given a prior claim.

Mr. President, notwithstanding the fact that section 32 funds are the principal, and almost the only, source to which we can turn, I am certain that the agricultural industries in Florida would not only be willing, but would be glad, to see some help given to their brethren in the fishing and allied indus-

tries, who are even worse hurt at present than is anyone in agriculture in our region. Therefore, we go along gladly in supporting the program, but always upon the understanding that we do not expect to set a precedent by it, and that we do not expect to see it continue to operate as a withdrawal from an agricultural pool which is of tremendous importance to the country as a whole and to more than half of the agricultural producers of the Nation.

I yield the floor.

Mr. DUFF. Mr. President, I ask unanimous consent that the committee amendments to S. 2802 be agreed to en bloc, with the understanding that they may be considered as the original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

Mr. THYE. Reserving the right to object, do I understand correctly that these amendments have been discussed with not only the authors of the bill but also with the minority leader?

Mr. ELLENDER. As I understand, the Senator from Pennsylvania is referring to the committee amendments.

Mr. THYE. I have no objection.

The PRESIDING OFFICER. Without objection, the committee amendments are agreed to en bloc, with the understanding suggested by the Senator from Pennsylvania.

The amendments agreed to en bloc are as follows:

On page 2, line 4, after the word "mollusks", to strike out "and"; in the same line, after the word "crustacea", to insert "aquatic plants and animals, and any products thereof, including processed and manufactured products)"; in line 16, after the word "origin", to insert "and (3) to conduct any biological, technological, or other research pertaining to American fisheries"; on page 3, line 7, after the word "commodities", to insert "and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules and regulations pertaining to requests for assistance, and other matters"; in line 14, after the word "act", to insert "and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this act with respect to domestically produced fishery products"; and after line 17, to insert "(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this act and the annual accruals thereto shall be available until expended, except that the balance of the fund shall not exceed $5,000,000 at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said $5,000,000 balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended", so as to make the bill read:

Be it enacted, etc., That section 2 of the act of August 11, 1939 (53 Stat. 1411), is hereby amended to read as follows:

"SEC. 2. (a) The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, from moneys made available to carry out the provisions of section 32 of such act of August 24, 1935, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund and used by the Secretary of the Interior (1) to promote the free flow of domestically produced fishery products in commerce by conducing a fishery educational service and fishery technological, biological, and related research programs, the moneys so transferred to be also available for the purchase or other acquisition, construction, equipment, operation, and maintenance of vessels or other facilities necessary for conducting research as provided for in this section, and (2) to develop and increase markets for fishery products of domestic origin and (3) to conduct any biological, technological, or other research pertaining to American fisheries.

"(b) For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is authorized to transfer, without reimbursement or transfer of funds, any vessels or equipment excess to its needs required by the Secretary of the Interior for the activities, studies, and research authorized herein.

"(c) In carrying out the purposes and objectives of this section, the Secretary of the Interior is directed as far as practicable to cooperate with other appropriate agencies of the Federal Government, with State or local governmental agencies, private agencies, organizations, or individuals, having jurisdiction over or an interest in fish or fishery commodities and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules, and regulations pertaining to requests for assistance, and other matters.

"(d) The Secretary of the Interior is further authorized to retransfer any of the funds made available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of this act, and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this act with respect to domestically produced fishery products.

"(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this act and the annual accruals thereto shall be available until expended, except that the balance of the fund shall not exceed $5 million at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said $5 million balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended."

Mr. ELLENDER. Mr. President, it is not my purpose to discuss the merits or demerits of the bill. But in the early afternoon, after a study of the bill, I suggested to some of its authors, including the distinguished Senator from Pennsylvania [Mr. DUFF], the floor manager of the bill, certain amendments which I propose to offer.

The first amendment is on page 1, line 7, where, after "1954," and before "from", I propose to insert "and ending on June 30, 1957."

The purpose of the amendment is to limit the bill to a period of 3 years.

The second amendment is on page 3, line 12, where, after the word "funds" and before the word "made", I propose to insert "not to exceed $1,500,000 to be."

The purpose of this amendment is to limit the amount which is to be used to purchase fish and other seafoods. It is in conformity with Public Law 393, which at present gives authority to the Secretary of Agriculture to transfer to the Federal Surplus Commodities Corporation the sum of $1,500,000, to be used for the purpose of diverting surplus fishery products, and so forth. As the bill now reads, it will be possible for all the funds provided for in the bill to be used for the purposes of section 1, to which I have just referred.

The third amendment is on page 3, line 21, where, after the word "except" and before the word "that", I propose to insert "(1) That not more than $3 million be spent in any 1 fiscal year, and (2)."

The second proviso would be in the present language of the bill, namely, "that the balance of the fund shall not exceed $5 million at the end of any fiscal year."

The purpose of this amendment is to limit the amount of expenditure for the purposes of the act to $3 million.

My fourth amendment is at the end of section 2, on page 4, and reads as follows:

(f) The Secretary of the Interior shall make a report to the appropriate committees of Congress annually on the use of the separate fund created under section 2 of this act.

The PRESIDING OFFICER. Does the Senator from Louisiana request that his amendments be considered en bloc?

Mr. ELLENDER. The amendments have been explained by me and other Members of the Senate. I ask that the amendments offered by me be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and the amendments offered by him will be considered en bloc.

Mr. DUFF. I am glad to accept the amendments.

Mr. AIKEN. Mr. President, I am not exactly happy about the bill, even as it will read with the amendments proposed by the Senator from Louisiana. But I wish to say that his amendments make the proposed legislation, as a whole much more palatable. I still think appropriations should be made directly, and not by the earmarking of funds. I express the hope that when the amendments are approved and the bill is passed, then at the end of 3 years' time the program will be either found wanting or found valuable. If it is found valuable, it ought to be put on its own feet at that time. If it is found wanting, it should be discarded altogether.

In view of the lateness of the hour, I shall not ask for a yea-and-nay vote on the passage of the bill. The bill will be greatly improved by the amendments offered by the Senator from Louisiana. I am not nearly so strongly opposed to the bill now as I would be if his amendments had not been agreed to.

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments offered by the Senator from Louisiana [Mr. ELLENDER].

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2802) was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. STENNIS. Mr. President, as one of the joint authors of the bill, I wish to express my appreciation to the distinguished Senator from Pennsylvania [Mr. DUFF] for handling the bill on the floor, and to other Senators who contributed to the passage of this important measure.

I point out that this is a national program, which has the support of all persons all over the United States, especially, as the Senator from Pennsylvania has said, those concerned with sea-water fishing, inland-water fishing, and Great Lakes fishing. We hope this is a foundation upon which a really extensive research program with respect to fish and sea life of all kinds, of commercial value, will be conducted.

I agree with the sentiment of the Senator from Vermont [Mr. AIKEN] that 3 years should be a sufficient period of incubation in which to get the program started. At the end of that time we believe the program will be sufficiently strong to stand on its own feet and to demand its own appropriation from the Treasury.

Mr. DUFF. I greatly appreciate the sentiments expressed by the distinguished Senator from Mississippi.

Mr. KENNEDY. I congratulate the distinguished Senator from Pennsylvania. This is a most important piece of legislation. I think that without his efforts and those of the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL], and of the distinguished junior Senator from Mississippi [Mr. STENNIS], the bill would not have passed. I think the bill represents a great step forward for the fishing industry of the United States.

PROHIBITION OF TRANSPORTATION OF FIREWORKS IN CERTAIN CASES

Mr. THYE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1205, House bill 116, to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 116) to amend title 18, United States Code, so as to prohibit the transportation of fireworks into any State in which the sale or use of such fireworks is prohibited.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with amendments.

RECESS UNTIL MONDAY

Mr. THYE. Mr. President, I move that the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 59 minutes p. m.) the Senate took a recess until Monday, May 17, 1954, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 14 (legislative day of May 13), 1954:

IN THE NAVY AND IN THE MARINE CORPS

The nominations of Bradford L. Abele and 581 other persons for appointment in the Navy or in the Marine Corps, which were confirmed today, were received by the Senate on May 6, 1954, and may be found in full in the proceedings of the Senate for that date, under the caption "Nominations," beginning with the name of Bradford L. Abele, appearing on page 5793, and ending with the name of Raymond K. Crabtree, which is shown on page 5794.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 14 (legislative day of May 13), 1954:

POSTMASTER

NEW MEXICO-TEXAS

Albert W. Mulloy, Anthony, N. Mex.-Tex.

83D CONGRESS
2D SESSION

S. 2802

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 1954

Referred to the Committee on Merchant Marine and Fisheries

AN ACT

To further encourage the distribution of fishery products, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of August 11, 1939 (53 Stat. 1411), is hereby amended to read as follows:

"SEC. 2. (a) The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, and ending on June 30, 1957, from moneys made available to carry out the provisions of section 32 of such Act of August 24, 1935, an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws on fishery

1 products (including fish, shellfish, mollusks, crustacea, aquatic
2 plants and animals, and any products thereof, including proc-
3 essed and manufactured products), which shall be maintained
4 in a separate fund and used by the Secretary of the Interior
5 (1) to promote the free flow of domestically produced fishery
6 products in commerce by conducting a fishery educational
7 service and fishery technological, biological and related re-
8 search programs, the moneys so transferred to be also avail-
9 able for the purchase or other acquisition, construction, equip-
10 ment, operation, and maintenance of vessels or other facili-
11 ties necessary for conducting research as provided for in
12 this section, and (2) to develop and increase markets for
13 fishery products of domestic origin and (3) to conduct any
14 biological, technological, or other research pertaining to
15 American fisheries.

16 "(b) For the purposes of this section, any agency of
17 the United States, or any corporation wholly owned by the
18 United States, is authorized to transfer, without reimburse-
19 ment or transfer of funds, any vessels or equipment excess
20 to its needs required by the Secretary of the Interior for the
21 activities, studies, and research authorized herein.

22 "(c) In carrying out the purposes and objectives of
23 this section, the Secretary of the Interior is directed as far
24 as practicable to cooperate with other appropriate agencies

1 of the Federal Government, with State or local governmen-
2 tal agencies, private agencies, organizations, or individuals,
3 having jurisdiction over or an interest in fish or fishery
4 commodities and he is authorized to appoint an advisory
5 committee of the American fisheries industry to advise him
6 in the formulation of policy, rules and regulations pertain-
7 ing to requests for assistance, and other matters.

8 "(d) The Secretary of the Interior is further authorized
9 to retransfer any of the funds not to exceed $1,500,000 to be
10 made available under this section to the Secretary of Agri-
11 culture to be used for the purposes specified in section 1 of
12 this Act, and only such funds as are thus transferred shall be
13 used for the purposes specified in section 1 of this Act with
14 respect to domestically produced fishery products.

15 "(e) The separate fund created for the use of the Secre-
16 tary of the Interior under section 2 (a) of this Act and
17 the annual accruals thereto shall be available until expended,
18 except (1) that not more than $3,000,000 be spent in any
19 fiscal year and (2) that the balance of the fund shall not
20 exceed $5,000,000 at the end of any fiscal year, and the Sec-
21 retary of the Interior shall retransfer the funds in excess of
22 said $5,000,000 balance to the Secretary of Agriculture to be
23 used for the purposes specified in section 32 of the Act of
24 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

1 "(f) The Secretary of the Interior shall make a report to
2 the appropriate committees of Congress annually on the use
3 of the separate fund created under section 2 of this Act."

Passed the Senate May 14 (legislative day, May 13), 1954.

Attest: J. MARK TRICE,
Secretary.

83D CONGRESS
2D SESSION

S. 2802

AN ACT

To further encourage the distribution of fishery products, and for other purposes.

MAY 17, 1954

Referred to the Committee on Merchant Marine and Fisheries

Digest of CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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83rd-2nd, No. 95

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HIGHLIGHTS: Senate passed water-facilities loans bill. Senate passed bill approving Southeastern Forest-Fire Protection Compact. House subcommittee voted to report surplus-fish bill. Sen. Carlson introduced and discussed bill to provide life insurance for Government employees. Sen. Johnston introduced and discussed bill to require Federal agencies to obey State laws on butter-fat content.

SENATE

1. WATER-FACILITIES LOANS. Passed as reported S. 3137, to amend the Water Facilities Act(pp. 6616-19). Sen. Aiken explained the bill as follows:

"The Water Facilities Act now is applicable only to the arid and semiarid areas of the United States. The pending bill would make that act applicable to the entire United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

"At present Government financial assistance is limited to $100,000 for any one project. The bill would replace that limitation with a limitation upon the amount of indebtedness which any one debtor may have outstanding at any one time. In the case of an individual, the limitation would be $25,000; in the case of a corporation or agency, it would be $250,000...

"...the committee amendment provides for insurance of private loans. At present, the Secretary of Agriculture makes only direct loans, using the funds appropriated for that purpose. Under the amendment, not to exceed $25 million of loans could be insured in any one year. In insuring the loans, the Secretary would utilize the fund created by title I of the Bankhead-Jones Farm Tenant Act"

2. FORESTRY. Passed without amendment S. 2786, approving the Southeastern Interstate Forest-Fire Protection Compact (pp. 6619-20).

3. PUBLIC LANDS. Passed as reported H. R. 2512, to amend the Small Tracts Act so as to permit greater use of the public domain by individuals (pp. 6626-7).

4. HOLIDAY. Passed without amendment H. R. 7786, to change the name of Armistice Day to "Veterans' Day" (p. 6616). This bill will now be sent to the President.

5. EGG MARKETING. Passed as reported S. 2661, to regulate the sale of shell eggs in D. C. (p. 6625).

6. HOUSING. The Banking and Currency Committee announced that it will order reported H. R. 7839, the housing bill, on May 27, and will file a report on June 3 (p. D574). This bill includes a provision continuing the rural-housing loan program.

7. FLOOD-CONTROL APPROPRIATIONS. H. R. 8367, the Army civil functions appropriation bill, was made the unfinished business (p. 6633).

8. SOIL CONSERVATION. In reporting H. R. 6788 (the Hope-Aiken watershed bill) to the full Agriculture and Forestry Committee, the subcommittee recommended a number of amendments. File copies of a "committee print", showing these amendments, are available for lending purposes from the Legislative Reporting Staff, Ext. 4654.

HOUSE

9. FISHERY PRODUCTS. A subcommittee voted to report to the full Merchant Marine and Fisheries Committee S. 2802, to earmark part of Sec. 32 funds for publicity, education, and research on fish and related products (p. D576).

BILLS INTRODUCED

10. LIVESTOCK INSPECTION. S. 3504, by Sen. Bowring, to amend the Packers and Stockyards Act with respect to the charging of brand inspection fees; to Agriculture and Forestry Committee (p. 6605).

11. RECLAMATION. S. 3505, by Sen. Anderson, to amend the act of 1950 relating to construction of the Vermejo reclamation project; to Interior and Insular Affairs Committee (p. 6605).

12. PERSONNEL. S. 3507, by Sen. Carlson, to authorize the Civil Service Commission to make available group life insurance for Federal employees; to Post Office and Civil Service Committee (p. 6605). Remarks of author (p. 6605).

13. DAIRY INDUSTRY. S. 3508, by Sen. Johnston, to require milk utilized by Federal agencies to meet State requirements with respect to butterfat content; to Agriculture and Forestry Committee (p. 6605). Remarks of author (p. 6634).

14. FISHERY PRODUCTS. H. R. 9249, by Rep. Norblad, "to further encourage the distribution of fishery products"; to Merchant Marine and Fisheries Committee (p. 6648).

ITEMS IN APPENDIX

15. FARM LABOR. Extension of remarks of Rep. Gubser discussing the use of Mexican farm laborers, stating that local labor will be given first chance at any job they are willing and able to perform, and including a newspaper article stating the need for 500 strawberry pickers in Calif. (p. A3774).

16. RECLAMATION. Extension of remarks of Rep. Miller, Nebr., favoring H. R. 4449, authorizing the upper Colo. project (pp. A3775-6).

Extension of remarks of Rep. Engle favoring the Trinity River project, Calif., and including a newspaper article on the shortage of water in the San Joaquin Valley (p. A3788).

17. FLOOD CONTROL. Rep. Angell inserted a newspaper article discussing the Army flood-control plan for the Columbia River (pp. A3776-7).

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Senate subcommittee completed mark-up of agricultural appropriation bill. Senate passed Army civil appropriation bill. House committee reported O&C land bill. House committee voted to report surplus-fish bill. Sen. Humphrey criticized Secretary's dairy program.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1955. The agricultural subcommittee of the Appropriations Committee completed its marking up of this bill, H. R. 8779, and voted to report the bill to the full Committee with amendments (p. D580).

2. FLOOD-CONTROL APPROPRIATIONS. Passed with amendments H. R. 8367, the Army civil functions appropriation bill. Senate conferees were appointed. (pp. 6671-9, 6683-90).

3. DAIRY PRICE SUPPORTS. Sen. Humphrey claimed the Secretary's dairy program has been a "failure" (pp. 6695-700).

4. INTERGOVERNMENTAL RELATIONS. Sen. Lennon was appointed to the Commission on Intergovernmental Relations, succeeding the late Sen. Hoey (p. 6658).

5. PERSONNEL. The Post Office and Civil Service Committee voted to report (but did not actually report) H. R. 7554, to provide compensation of certain employees when Government departments are closed by administrative order (p. D582).

6. ALASKA STATEHOOD. Sen. Malone inserted a petition from various people in Alaska requesting a referendum on statehood (pp. 6679-82).

7. RECLAMATION. H. R. 5731, to authorize reclamation work on the Santa Margarita River, Calif., was made the unfinished business (pp. 6691-2).

8. RECESSED until Thurs., May 27 (p. 6700).

HOUSE

9. FISHERY PRODUCTS. The Merchant Marine and Fisheries Committee voted to report (but did not actually report) S. 2802, to earmark part of Sec. 32 funds for publicity, education, and research on fish and related products (p. D583).

10. FORESTRY. The Interior and Insular Affairs Committee reported with amendment H. R. 5958, relating to the administrative jurisdiction of certain O&C lands in Oreg. (H. Rept. 1677)(p. 6728).

11. LEGISLATIVE-JUDICIARY APPROPRIATION BILL, 1955. Passed with amendment this bill, H. R. 9203 (pp. 6705-18).

12. ELECTRIFICATION. The Interior and Insular Affairs Committee reported with amendment H. R. 8328, to authorize the transmission and disposition of electric energy generated at Falcon Dam on the Rio Grande (H. Rept. 1678)(p. 6728).

13. PUBLIC LANDS. The Interior and Insular Affairs Committee reported without amendment S. 1823, to allow credit in connection with certain homestead entries for military or naval service rendered during the Korean conflict (H. Rept. 1676) (p. 6728).

BILLS INTRODUCED

14. FORESTRY. S. 3509, by Sen. Watkins, to establish public use of the national forests as a policy of Congress; to Agriculture and Forestry Committee (p.6652).

15. FLOOD CONTROL. S. 3510, by Sen. Cordon, to provide for cooperation in financing and early development of the John Day project on the Columbia River; to Public Works Committee. Remarks of author. (pp. 6652-7.) Also H. R. 9307, by Rep. Coon; to Public Works Committee (p. 6729).

16. DAIRY INDUSTRY. H. R. 9267, by Rep. Laird, to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce, to stabilize prices of milk and dairy products, etc.; to Agriculture Committee (p. 6728).

17. ELECTRIFICATION. H. R. 9326, by Rep. Wolverton, to amend the Federal Power Act to provide that charges shall be paid by Federal power projects which are benefited by stream improvements constructed by other parties; to Interstate and Foreign Commerce Committee (p. 6730).

COMMITTEE HEARINGS RELEASED BY GPO

18. WOOL PRICE SUPPORTS, H. R. 7775. H. Agriculture Committee.

ITEMS IN APPENDIX

19. FORESTRY. Extension of remarks of Rep. Metcalf claiming that opposition to H. R. 6787, to protect interests of livestock producers in connection with Forest Service grazing lands, is growing and including some of the objections to the bill in a statement by the Emergency Committee on National Resources (pp. A3868-9).

20. TEXTILES. Extension of remarks of Rep. Howell discussing "the recession in the textile industry" and including a newspaper editorial, "Dying Textiles?" (pp. A3870-1).

Digest of CONGRESSIONAL PROCEEDINGS
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HIGHLIGHTS: House committee voted to continue 90% price supports and to report bill for disposal of surplus commodities to foreign countries. House passed amended version of bill to increase excess-tobacco penalty. House committee voted to report bill to transfer CCC seed to Forest Service, etc. House committee reported bill to earmark part of Sec. 32 funds for fishery products. House debated Labor-HEW appropriation bill. Rep. Patman criticized bill to authorize increase in interest on farm-tenant loans. Rep. Miller, Kans., spoke in favor of watershed bill and soil-conservation loans bill. House received appropriation estimate for forest roads and trails. Sen. Kefauver introduced and discussed bill to continue 90% price supports for 2 years. Rep. Byrd commended USDA for distribution of surplus commodities in W. Va. Senate committee ordered reported bill transfering Indian extension work to USDA, etc. Sens. Ferguson and Holland spoke in favor of flexible price supports. Sen. Gore and others recommended extension of Trade Agreements Act. Rep. Byrnes, Wis., introduced and discussed customs simplification bill.

HOUSE

1. PRICE SUPPORTS; SURPLUS COMMODITIES. The "Daily Digest" states: "Committee on Agriculture: Agreed to report to the House S. 2475, relative to sale and disposal of surplus agricultural commodities to foreign countries. The text of this Senate bill was replaced by language presently contained in the House committee print which has been under study by the committee... Voted (21 to 8) that the level of support to cooperators shall be 90 percent of the parity price of the 1955 crop of any basic commodity, with respect to which producers have not disapproved marketing quotas." (p. D647.)

2. TOBACCO QUOTAS. Vacated the previous passage of S. 3050, to increase the penalty on marketing tobacco in excess of quotas, and passed the bill again with an amendment by Rep. Deane, N. C., to make the bill effective July 1, 1955, instead of July 1, 1954 (p. 7413).

3. FISHERY PRODUCTS. The Merchant Marine and Fisheries Committee reported without amendment S. 2802, to earmark part of Sec. 32 funds for education, publicity, and research on fish and related products for a temporary period (H. Rept. 1770)(p. 7454).

. LABOR-HEW APPROPRIATION BILL, 1955. Began and concluded general debate on this bill, H. R. 9447 (pp. 7417-46). It is expected that the bill will be read for amendment beginning today. Rep. Marshall spoke in support of the vocational education item with respect to its application to agriculture (p. 7440).

Following are excerpts from the committee report:

Mexican farm labor program. "The bill includes $1,521,000, a reduction of $225,000 from the request, and $207,000 from the amount appropriated for 1954. The amount approved is the full amount requested, except that no funds are included to cover the cost of medical examinations, estimated at $225,000. After the budget was prepared, the Comptroller General ruled that these costs are legal charges against the revolving fund supported by fees charged the growers who use this labor."

Education. "Further endowment of Colleges of Agriculture and the Mechanic Arts.--The bill includes $2,501,500, the full amount of the request and the same as the amount appropriated for 1954."

. CCC SEEDS; FORESTRY. The Banking and Currency Committee voted to report (but did not actually report) S. 2987, to transfer certain surplus CCC seeds to the Forest Service and BLM for seeding (p. D647).

. FORESTRY. The Interior and Insular Affairs Committee's public lands subcommittee voted to report to the full committee H. R. 1254, amended, to authorize long-term leases of Forest Service lands, etc. (p. D648).

. LAND TRANSFERS. Passed without amendment S. 1400, to permit the Secretary of Agriculture to release the reversionary rights of the U. S. in and to a tract of former FHA land in Wake County, N. C. (p. 7412). This bill will now be sent to the President.

Passed as reported H. R. 6263, to return to the Rotary Club of Ketchikan, Alaska, a tract of land which had been donated to the Forest Service by the Club (p. 7413).

. FARM LOANS. Rep. Patman criticized H. R. 8656, which would authorize the Department to permit increased interest rates on insured loans under the Bankhead-Jones Farm Tenant Act (pp. 7436-7).

. SOIL CONSERVATION; FARM LOANS. Rep. Miller, Kans., spoke in favor of his bill to authorize insured loans for soil-conservation expenses and the Hope-Aiken watershed bill (pp. 7451-3).

10. APPROPRIATIONS. Received from the President an omnibus submission of supplemental appropriation estimates; to Appropriations Committee (H. Doc. 428)(p. 7454). One of these items is $16,000,000 for liquidation of obligations incurred for expenses and payment of contract earnings for forest roads and trails, pursuant to the Federal Aid Highway Act of 1954, of which $9,500,000 would be derived by transfer from the 1955 appropriation for forest roads and trails.

SENATE

1. FORESTRY. Concurred in the House amendments to S. 1399, to authorize sale of certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association (p. 7379). This bill will now be sent to the President.

2. EXTENSION SERVICE; MINERALS; RECLAMATION. The Interior and Insular Affairs

83d Congress, 2d Session | HOUSE OF REPRESENTATIVES | Report No. 1770

FURTHER ENCOURAGING THE DISTRIBUTION OF FISHERY PRODUCTS, AND FOR OTHER PURPOSES

June 8, 1954.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Tollefson, from the Committee on Merchant Marine and Fisheries, submitted the following

REPORT

[To accompany S. 2802]

The Committee on Merchant Marine and Fisheries, to whom was referred the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the bill is to earmark an amount equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products for transfer by the Secretary of Agriculture to the Secretary of the Interior to be used in promoting the free flow of domestically produced fishery products in commerce.

There is nothing novel in the manner in which the provisions of this legislation intend that the budgetary aspects be carried out. Section 32 of the act of 1935 (49 Stat. 774), as amended, provided for the setting aside annually in a special fund, an amount equal to 30 percent of the annual gross receipts from the duties collected under the customs laws. This special fund was to be expended by the Secretary of Agriculture to encourage exportation and domestic consumption of agricultural products. Section 2 (a) of the act of August 11, 1939 (53 Stat. 1411), which would be amended by the bill as reported, authorized the Secretary of Agriculture to transfer to the Secretary of the Interior from the special fund established by the 1935 act, as above, $75,000 for use in promoting "the free flow of domestically produced products in commerce by conducting a fishery educational service," and $100,000 to be used by the Secretary of the Interior "to develop and increase markets for fishery products of domestic origin." The pending bill simply increases these amounts to an amount equal to 30 percent of the gross receipts from duties collected

under the customs laws from the importation of various fishery products.

Any accumulation of section 32 funds by the Department of Agriculture in excess of $300 million must revert to the Department of the Treasury as requested by the Agricultural Act of 1949. In fiscal year 1954, $27 million has been turned back, an amount many times more than that which is proposed in this bill to meet the research and development needs of the fishery industry. For the purposes of the bill there would be made available for the current fiscal year approximately $3 million.

From the moneys made available in the bill, and required to be kept in a separate fund, the Secretary of the Interior would require their use for the promotion of the free flow of domestically produced fishery products in commerce, for the development and increase of markets for fishery products of domestic origin, and for biological, technological, or other research pertaining to American fisheries, the aforementioned to be in cooperation with Federal, State or local governmental agencies and interested private agencies, organizations, or individuals.

During the hearings conducted by the Subcommittee on Shellfish and Salt Water Fisheries of your committee, a large number of expert witnesses from the fishing industry from varied parts of the country, together with Members of Congress, appeared in unanimous support of such legislation, calling the attention of your committee to the urgent need for early enactment because of the increasingly difficult problems confronting one of the oldest industries of mankind.

In addition to the gross lack of adequate scientific information on reasons for fluctuations in numbers, with consequent diminishing of fish unexplainedly in areas of formerly abundant fish production, and the utter lack of a scientific basis on which to lay adequate conservation measures so as to stabilize our fishing grounds, in addition to a host of serious problems, the fishing industry is confronted not only with a decrease in supply but also an increase in competition from imports of foreign fishery products. The industry is faced with declining profits in some areas and sustained losses in others which threaten the very existence of the industry. Up and down the Pacific and Atlantic coasts, as well as along the gulf coast, diminished fish production is being experienced and the Great Lakes area is not without its problems.

While the fishing industry is one of mankind's oldest, it is retarded by reason of the lack of adequate biological and technological data and it is lagging in this respect. Let us not wait for the almost total disappearance of a highly nutritive, protein food supply before we begin to find the answers.

Everyone will admit that we have made great strides in the efficiency of our agricultural production through basic research and the application of sound logical conclusions so obtained. However, while the production of the average farmer in terms of pounds of food has increased, the production of the average fisherman has decreased.

Departmental spokesmen from the Fish and Wildlife Service in advising your committee on the legislation urged such enactment because of the precarious condition in which the fishing industry currently finds itself and pointed out what an essential segment fishery resources are to our economy and the advisability of a program

to enhance the industry. The annual retail value of domestic fishery products in the United States is more than a billion dollars. It was pointed out that most fishery research programs have not been able to get underway until the particular situation had run its course and then it was too late to reconstruct what had happened.

Of about 35 kinds of fish and shellfish, each worth a million dollars or more to American fishermen, there exists satisfactory information on less than half a dozen. With a retarded fishery biological research, such a rapidly occurring outbreak as the red-tide or similar occurrences could seriously cripple or wipe out a large segment of the industry and looking back in retrospect would be to no avail.

The bill if enacted would accomplish its objectives without appropriating any additional funds. Your committee favors the measure and recommends that the bill do pass.

United States Department of the Interior,
Office of the Secretary,
Washington, D. C., April 1, 1954.

Hon. Alvin F. Weichel,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

My Dear Mr. Weichel: Reference is made to your request for a report on several bills, H. R. 4303, H. R. 5829, H. R. 7441, H. R. 7641, and H. R. 7671, all entitled "To further encourage the distribution of fishery products, and for other purposes."

I strongly favor the objective of the program to be augmented by the proposed legislation.

Section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended, appropriated and set apart annually in a special fund an amount equal to 30 percent of the annual gross receipts from the duties collected under the customs laws. This special fund was to be expended by the Secretary of Agriculture to encourage exportation and domestic consumption of agricultural products. Section 2 of the act of August 11, 1939 (53 Stat. 1411; 15 U. S. C. 713c–2), which would be amended by the proposed legislation, authorized the Secretary of Agriculture to transfer to the Secretary of the Interior from the special fund established by the 1935 act $75,000 for use in promoting "the free flow of domestically produced products in commerce by conducting a fishery educational service," and $100,000 to be used by the Secretary of the Interior "to develop and increase markets for fishery products of domestic origin." The proposed legislation insofar as it pertains to the availability and use of funds is simply an increase in these amounts to an amount equal to 30 percent of the gross receipts from duties collected under the customs laws from the importation of various fishery products. Since this phase is wholly amendatory of the existing act it is of course no departure from the methods set forth in the original act with respect to the availability of funds and hence we do not feel that it is necessary that we comment on budgetary aspects.

Unquestionably there is an acute need for greatly expanded research with respect to certain basic problems which the fishing industry itself cannot effectively finance or coordinate. This is particularly true with respect to technological and biological studies. The Department of the Interior, through the Fish and Wildlife Service, presently is attempting to solve some of these problems. As the agency primarily responsible for the welfare of the domestic fisheries, it collects and publishes basic statistics; conducts a daily market news service; makes economic studies; administers the Fishery Cooperative Marketing Act; develops methods of handling, utilizing, and preserving fishery products; conducts research on all technological fishery matters; conducts an educational service; develops foreign and domestic markets; explores for new fishing grounds; develops and tests fishing gear; conducts biological research on all our fisheries; and manages the fisheries of Alaska. Many of these activities have been limited, however, by a lack of available funds. If the fishing industry of this country is to continue to compete on an equal basis with the fishing industries of other countries, many

of which are directly subsidized, it is essential that a substantial increase in funds for these purposes be made available.

As we have stated, the 1935 act established a special fund equal to 30 percent of the gross receipts collected from customs duties. The act made this fund and the annual accruals thereto available until expended with the proviso that the balance of the fund might not exceed $300 million at the end of any fiscal year. We suggest that the proposed amendment be further amended to the end that the fund proposed to be created be likewise limited and that such limitation be fixed at $5 million. This would permit accruals to the fund to offset or at least minimize fluctuations in the amounts derived from import duties on fishery products. The continuing availability of such a fund would make it possible for the Secretary of the Interior to plan research and development activities for the fishing industry on a long-term basis. In this connection, it also is suggested that the funds provided by this bill be made available directly to the Secretary of the Interior and not by way of a transfer from the Secretary of Agriculture.

In these circumstances, it is suggested that if the recommendations contained in this report are adopted, the activities contemplated by the bill be inaugurated in the fiscal year beginning July 1, 1954, by the supplementation in the amount of $1,800,000 of appropriations otherwise available, leaving a balance which could be paid into the reserve fund, the establishment of which is suggested.

It will be noted that in several of the bills the amounts proposed to be made available for promoting the free flow of domestically produced fishery products, the development of markets, and for the purchase of surplus fisheries are probably less than an amount equal to 30 percent of the gross receipts from duties collected under the customs laws from the importation of various fishery products. However, in view of the comments and suggestions contained in this report, it does not appear necessary to consider each of these proposals separately.

Since this is a revised version of a report originally submitted to the Bureau of the Budget and in view of the urgency of making a report to your committee, it has not been possible to obtain the views of the Bureau of the Budget on this revised report.

Sincerely yours,

ORME LEWIS,
Assistant Secretary of the Interior.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., September 23, 1953.

Hon. ALVIN F. WEICHEL,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

DEAR MR. WEICHEL: This is in reply to your request for a report on H. R. 5829, a bill to further encourage the distribution of fishery products, and for other purposes.

The bill would require each year the transfer to the Secretary of the Interior of $1 million from funds made available to the Secretary of Agriculture by section 32 of the act of August 24, 1935, as amended. Such transferred funds would be maintained in separate accounts to be used to promote domestically produced fishery products in commerce by conducting educational, technological research and related research, as well as marketing programs.

Under section 32, the Department of Agriculture carries out programs designed to encourage the domestic consumption and exportation of surplus agricultural commodities and products thereof. The act of August 11, 1939 (Public Law 393, 76th Cong.) authorizes this Department to use from section 32 funds an amount not in excess of $1,500,000 each year for the purchase and distribution through public and private relief channels, of surplus fish and fish products, and to transfer annually to the Department of the Interior $175,000 of such sum for the development of domestic markets and for the conduct of a fishery educational service with respect to fish and fish products. Enactment of H. R. 5829 would amend Public Law 393, 76th Congress, to substitute mandatory authority transferring each year $1 million of section 32 funds to the Department of the Interior for educational programs and for the promotion of markets for fish and fish products, and would provide new authority permitting the use of a part of these funds to conduct fishery technological and related research programs.

The Department of Agriculture, through its Bureau of Human Nutrition and Home Economics, conducts research in nutrition and in the utilization of agricultural products, including fish, as food and also maintains educational service

to homes and institutions regarding all food products. The Department, through its plentiful foods program, works with the food trade to promote the distribution and consumption of those foods, including fish, which are in surplus supply. It would not seem advisable to expand such services in another department not primarily concerned with the marketing and utilization of food products.

In view of the above, this Department recommends against passage of the bill.

The Bureau of the Budget advised that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., August 27, 1953.

Hon. ALVIN F. WEICHEL,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reply to your letter requesting the views of this office with respect to H. R. 5829, to further encourage the distribution of fishery products, and for other purposes.

If enacted, this bill would amend those provisions of the act of August 11, 1939 (15 U. S. C. 713c–2) which authorize the Secretary of Agriculture to transfer to the Secretary of the Interior from the so-called section 32 funds up to $75,000 annually "to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service" and up to $100,000 annually "to develop and increase markets for fishery products of domestic origin."

H. R. 5829 would change these provisions by making it mandatory for the Secretary of Agriculture to transfer $1 million to be maintained in two separate funds, $750,000 for use on education and research, and $250,000 for market development programs.

We believe that the present method of financing this program is contrary to sound budgetary practice, first, because it removes the program from review by the President and the Congress as a part of the annual budget process and, second, because it tends to restrict the authority of the agency head to achieve a proper balance among the programs under his direction. The amendment proposed in H. R. 5829 would make the existing situation even more undesirable by removing the discretion now exercised by the Secretary of Agriculture over the amounts to be transferred, and by increasing the amounts themselves.

Under these circumstances, the Bureau of the Budget recommends that H. R. 5829 not be enacted.

Sincerely yours,

ROWLAND HUGHES,
Acting Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 25, 1954.

Hon. ALVIN F. WEICHEL,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reply to the request of your committee for the views of this office with respect to H. R. 7441 and H. R. 7641, bills to further encourage the distribution of fishery products, and for other purposes, and H. R. 7671 to amend the act of August 11, 1939, so as to encourage further the distribution of fishery products and the development of markets for fishery products, and for other purposes.

All three of these bills would amend the act of August 11, 1939, by making it mandatory for the Secretary of Agriculture to transfer to the Secretary of the Interior a portion of the funds appropriated to the Department of Agriculture under section 32 of the act of August 24, 1935, equal to 30 percent of the customs receipts on fishery products. The bills would direct the Secretary of the Interior to use the funds (1) to promote the free flow of domestically produced fishery products by conducting a fishery educational service and a fishery research program, and (2) to develop and increase markets for fishery products of domestic origin.

This Bureau has recommended against the enactment of similar legislation introduced in the 1st session of the 83d Congress. In our reports on two of these measures, H. R. 4303 and H. R. 5829, we pointed out that the financial procedure established by the act of August 11, 1939, was in itself contrary to sound budgetary practice, first, because it removed the program from review by the President and the Congress as a part of the annual budget process and, second, because it tends to restrict the authority of the agency head to achieve a proper balance among the programs under his direction. We also stated that the proposal would, by removing the discretion now exercised by the Secretary of Agriculture over the amounts to be transferred and by increasing the amounts themselves, make the existing situation even more undesirable.

By tying the amounts of the transfers to a portion of the section 32 funds which the bills presume to be derived from duties on fishery imports, the current legislation raises an even more serious problem. If enacted these provisions would, in effect, establish a precedent for a commodity-by-commodity earmarking of the moneys appropriated under the section 32 provisions.

In view of the above, the Bureau of the Budget recommends that the subject legislation not be enacted.

Sincerely yours,

ROWLAND HUGHES, *Deputy Director.*

DEPARTMENT OF AGRICULTURE,
Washington, D. C., March 2, 1954.

Hon. ALVIN F. WEICHEL,
Chairman, Committee on Merchant Marine and Fisheries,
United States House of Representatives.

DEAR MR. WEICHEL: This is in reply to requests, submitted by Mr. Leonard P. Pliska, chief clerk of your committee, for reports on H. R. 7441, H. R. 7641, and H. R. 7671, bills to further encourage the distribution of fishery products and for other purposes.

These bills would amend the act of August 11, 1939 (Public Law 393, 76th Cong.). Section 1 of that act authorizes the Department of Agriculture to use each year from section 32 funds an amount not in excess of $1,500,000 for the purchase and distribution, through public and private relief channels, of surplus fish and fish products. Section 2 of that act authorizes this Department to transfer annually to the Department of the Interior $175,000 of such sum for the development of domestic markets and for conducting a fishery educational service with respect to fish and fish products.

These bills would amend section 2 of the above act. It would require that each year the Secretary of Agriculture transfer to the Secretary of the Interior an amount of section 32 funds equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products. These moneys would be maintained in a separate fund by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery research programs, and to develop and increase markets for fishery products. The Secretary of the Interior would be further authorized to retransfer funds available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of the act, i. e., the purchase and distribution of surplus fishery products.

On the basis of the duties collected on fishery products during 1953, these bills would require the annual transfer of approximately $3 million of section 32 funds for the above purposes.

The Department does not believe that a mandatory assignment of section 32 funds should be made each year for use in connection with fishery products without any determination as to the need of such products for marketing assistance. Surpluses vary from year to year among the different commodities for which section 32 funds may be used. It is desirable, therefore, to retain maximum flexibility in the administration of such funds for procurement and distribution of commodities according to the relative importance of the surpluses.

With respect to the increase in funds for educational, developmental, and research programs on fishery products, the Department of Agriculture—through the Agricultural Research Service—conducts research in nutrition and in the utilization of agricultural products, including fish, as food, and also maintains educational service to homes and institutions regarding all food products. The Department, through its plentiful foods program, works with the food trade to

promote the distribution and consumption of those foods, including fish, which are in surplus supply. It would not seem advisable to expand such services in another department not primarily concerned with the marketing and utilization of food products.

In view of the above, this Department recommends against passage of these bills.

The Bureau of the Budget advises that there is no objection to the submission of these reports.

Sincerely yours,

TRUE D. MORSE, *Under Secretary.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., August 27, 1953.

Hon. ALVIN F. WEICHEL,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reply to your request for the views of this office concerning H. R. 4303, to further encourage the distribution of fishery products, and for other purposes.

Section 32 of the act of August 24, 1935 (49 Stat. 774), appropriated annually to the Department of Agriculture an amount equal to 30 percent of customs receipts for the preceding calendar year to be used in removing surplus agricultural commodities from the domestic market. By the act of August 11, 1939 (15 U. S. C. 713c–2) the Department of Agriculture was authorized to use not to exceed $1,500,000 annually of section 32 funds "for the purpose of diverting surplus fishery products * * * from the normal channels of trade and commerce by acquiring them and providing for their distribution through Federal, State, and private relief channels." The same act authorized the Secretary of Agriculture to transfer to the Secretary of the Interior annually $75,000 "to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service" and $100,000 annually "to develop and increase markets for fishery products of domestic origin." Funds have been made available to the Department of the Interior under this authority for a number of years varying from $25,000 in fiscal 1941 to about $175,000 in recent fiscal years.

H. R. 4303 would amend the act of August 11, 1939, and make mandatory each year the transfer of $3 million of section 32 funds without any determination as to actual need. Of the amount so transferred, $1 million would be maintained in two separate funds, $750,000 to be used for education and research, and $250,000 for market development programs.

While section 3 of the bill authorizes and directs the Secretary of the Interior to cooperate with the Department of Agriculture and with other agencies, it also has the effect of granting authority for another agency of the Government to engage in the purchase, storage and disposal of a product in surplus supply. This duplicatory organization, with its attendant administrative costs, does not appear to be warranted.

We believe that the authorization of $1 million proposed in the bill for the conduct of research, etc., is undesirable. Section 2 of the bill would establish an annual appropriation for the conduct of research regardless of need. Such authority would remove the proposed research programs from annual review by the Congress as a part of the regular budgetary processes. It places a priority on certain types of research which, as time goes on, may be relatively low in priority in relation to other research activities.

In these circumstances, enactment of H. R. 4303 is not recommended.

Sincerely yours,

ROWLAND HUGHES, *Acting Director.*

DEPARTMENT OF AGRICULTURE,
Washington, D. C., September 4, 1953.

Hon. ALVIN F. WEICHEL,
Chairman, Committee on Merchant Marine and Fisheries,
House of Representatives, Washington, D. C.

DEAR MR. WEICHEL: This is in reply to your request for a report on H. R. 4303, a bill to further encourage the distribution of fishery products, and for other purposes.

The bill would require each year the transfer to the Secretary of the Interior of $3 million from funds made available to the Secretary of Agriculture by section 32 of the act of August 24, 1935, as amended. Such transferred funds would be used to encourage the domestic consumption of surplus fish and fish products, $1 million thereof to be maintained in separate funds to be used for education, research, and market-development programs. Under section 32, the Department of Agriculture carries out programs designed to encourage the domestic consumption and exportation of surplus agricultural commodities and products thereof. The act of August 11, 1939 (Public Law 393, 76th Cong.) authorizes this Department to use from section 32 funds an amount not in excess of $1,500,000 for the purchase and distribution, through public and private relief channels, of surplus fish and fish products, and to transfer annually to the Department of the Interior $175,000 of such sum for the development of domestic markets and for the conducting of a fishery educational service with respect to fish and fish products.

The bill makes the transfer of funds mandatory each year without any determination as to the need. Surpluses vary from year to year among the different commodities for which section 32 funds may be used. It is desirable, therefore, to retain the element of flexibility in the administration of funds for the procurement and distribution of commodities according to the relative importance of the surpluses.

H. R. 4303 would direct the Department of the Interior as far as practicable to cooperate with, and to use the facilities of, the Department of Agriculture for the purchase and distribution of fishery products. In view of the existing authority in this Department and the organization already established to administer food programs of the type specified in the bill, it does not appear advisable to authorize the division of the responsibility for such program operations between executive departments and thus authorize the duplication of administrative organizations which would perform essentially the same functions.

Such duplication would increase the administrative costs of carrying out section 32 food programs and thus reduce the amount of section 32 funds available for actual program operations.

The bill would increase from $175,000 to $1 million the amount of section 32 funds available for transfer annually by this Department to the Department of the Interior for educational and research programs and for the promotion of markets for fish and fish products. The present law merely permits the transfer annually of $175,000 for this purpose, whereas H. R. 4303 would make the transfer mandatory. The $1 million proposed for this purpose would come from the $3 million specified in the bill for transfer from section 32 funds to the Department of the Interior. The bill would also give the Department of the Interior the additional authority to use a part of these funds to conduct fishery technological and related research programs. The Department of Agriculture, through its Bureau of Human Nutrition and Home Economics, conducts research in nutrition and in the utilization of agricultural products as food and also maintains educational service to homes and institutions regarding all food products. The Department, through its plentiful foods program, works with the food trade to promote the distribution and consumption of those foods, including fish, which are in surplus supply. It would not seem advisable to expand such services in another Department not primarily concerned with the marketing and utilization of food products.

In view of the above, this Department recommends against passage of the bill.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE, *Under Secretary.*

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTION 2 OF THE ACT OF AUGUST 11, 1939 (53 STAT. 1411; 15 U. S. C. 713 c–2)

SEC. 2. (a) [From the fund authorized to be transferred by section 1 hereof, the Secretary of Agriculture is authorized to transfer to the Secretary of the Interior sums as follows to be maintained in a separate fund $75,000, which shall

be used by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service; and $100,000, which shall be used by the Secretary of the Interior to develop and increase markets for fishery products of domestic origin.] *The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, and ending on June 30, 1957, from moneys made available to carry out the provisions of section 32 of such Act of August 24, 1935, an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund and used by the Secretary of the Interior (1) to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological and related research programs, the moneys so transferred to be also available for the purchase or other acquisition, construction, equipment, operation, and maintenance of vessels or other facilities necessary for conducting research as provided for in this section, and (2) to develop and increase markets for fishery products of domestic origin and (3) to conduct any biological, technological, or other research pertaining to American fisheries.*

(b) For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is authorized to transfer, without reimbursement or transfer of funds, any vessels or equipment excess to its needs required by the Secretary of the Interior for the activities, studies, and research authorized herein.

(c) In carrying out the purposes and objectives of this section, the Secretary of the Interior is directed as far as practicable to cooperate with other appropriate agencies of the Federal Government, with State or local governmental agencies, private agencies, organizations, or individuals, having jurisdiction over or an interest in fish or fishery commodities and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules and regulations pertaining to requests for assistance, and other matters.

(d) The Secretary of the Interior is further authorized to retransfer any of the funds not to exceed $1,500,000 to be made available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of this Act, and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this Act with respect to domestically produced fishery products.

(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this Act and the annual accruals thereto shall be available until expended, except (1) that not more than $3,000,000 be spent in any fiscal year and (2) that the balance of the fund shall not exceed $5,000,000 at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said $5,000,000 balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the Act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

(f) The Secretary of the Interior shall make a report to the appropriate committees of Congress annually on the use of the separate fund created under section 2 of this Act.

O

Union Calendar No. 647

83D CONGRESS
2D SESSION

S. 2802

[Report No. 1770]

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 1954

Referred to the Committee on Merchant Marine and Fisheries

JUNE 8, 1954

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

AN ACT

To further encourage the distribution of fishery products, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 2 of the Act of August 11, 1939 (53 Stat.
4 1411), is hereby amended to read as follows:
5 "SEC. 2. (a) The Secretary of Agriculture shall trans-
6 fer to the Secretary of the Interior each fiscal year, begin-
7 ning with the fiscal year commencing July 1, 1954, and end-
8 ing on June 30, 1957, from moneys made available to carry
9 out the provisions of section 32 of such Act of August 24,
10 1935, an amount equal to 30 per centum of the gross receipts
11 from duties collected under the customs laws on fishery

1 products (including fish, shellfish, mollusks, crustacea, aquatic
2 plants and animals, and any products thereof, including proc-
3 essed and manufactured products), which shall be maintained
4 in a separate fund and used by the Secretary of the Interior
5 (1) to promote the free flow of domestically produced fish-
6 ery products in commerce by conducting a fishery educa-
7 tional service and fishery technological, biological and related
8 research programs, the money so transferred to be also
9 available for the purchase or other acquisition, construction,
10 equipment, operation, and maintenance of vessels or other
11 facilities necessary for conducting research as provided for in
12 this section, and (2) to develop and increase markets for
13 fishery products of domestic origin and (3) to conduct any
14 biological, technological, or other research pertaining to
15 American fisheries.

16 "(b) For the purposes of this section, any agency of
17 the United States, or any corporation wholly owned by the
18 United States, is authorized to transfer, without reimburse-
19 ment or transfer of funds, any vessels or equipment excess
20 to its needs required by the Secretary of the Interior for the
21 activities, studies, and research authorized herein.

22 "(c) In carrying out the purposes and objectives of
23 this section, the Secretary of the Interior is directed as far
24 as practicable to cooperate with other appropriate agencies

1 of the Federal Government, with State or local governmen-
2 tal agencies, private agencies, organizations, or individuals,
3 having jurisdiction over or an interest in fish or fishery
4 commodities and he is authorized to appoint an advisory
5 committee of the American fisheries industry to advise him
6 in the formulation of policy, rules and regulations pertain-
7 ing to requests for assistance, and other matters.

8 "(d) The Secretary of the Interior is further authorized
9 to retransfer any of the funds not to exceed $1,500,000 to be
10 made available under this section to the Secretary of Agri-
11 culture to be used for the purposes specified in section 1 of
12 this Act, and only such funds as are thus transferred shall be
13 used for the purposes specified in section 1 of this Act with
14 respect to domestically produced fishery products.

15 "(e) The separate fund created for the use of the Secre-
16 tary of the Interior under section 2 (a) of this Act and
17 the annual accruals thereto shall be available until expended,
18 except (1) that not more than $3,000,000 be spent in any
19 fiscal year and (2) that the balance of the fund shall not
20 exceed $5,000,000 at the end of any fiscal year, and the Sec-
21 retary of the Interior shall retransfer the funds in excess of
22 said $5,000,000 balance to the Secretary of Agriculture to be
23 used for the purposes specified in section 32 of the Act of
24 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

1 "(f) The Secretary of the Interior shall make a report to
2 the appropriate committees of Congress annually on the use
3 of the separate fund created under section 2 of this Act."

Passed the Senate May 14 (legislative day, May 13), 1954.

Attest: J. MARK TRICE,
Secretary.

Union Calendar No. 647

83D CONGRESS
2D SESSION

S. 2802

[Report No. 1770]

AN ACT

To further encourage the distribution of fishery products, and for other purposes.

MAY 17, 1954
Referred to the Committee on Merchant Marine and Fisheries
JUNE 8, 1954
Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 18, 1954
For actions of June 17, 1954
83rd-2nd, No. 112

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HIGHLIGHTS: House passed bill to earmark Sec. 32 funds for fishery products. House voted to send housing bill to conference. House passed bill to authorize GSA motor-vehicle pools and furniture control. Senate committee worked on farm program bill. Senate completed congressional action on independent offices appropriation bill. Rep. Cannon criticized flexible price supports.

HOUSE

1. FISHERY PRODUCTS. Passed without amendment S. 2802, which earmarks part of the Sec. 32 funds for education, publicity, and research in connection with fishery products until June 30, 1957, but limits the amount of expenditures for the purposes of the bill to $3,000,000 annually, and limits the amount which may be used to purchase fish and other seafoods to $1,500,000 (pp. 8029-31). This bill will now be sent to the President.

2. HOUSING LOANS. Agreed, 360-19, to a resolution to send to conference H. R. 7839, the omnibus housing bill which includes a provision to continue the farm housing program administered by this Department (pp. 8808-24). Senate conferees have been appointed.

3. VEHICLES; FURNITURE. Passed with amendments (essentially as reported) H. R. 8753, to authorize GSA to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the GSA to report the unauthorized use of Government motor vehicles, and to authorize CSC to regulate operators of Government motor vehicles (pp. 8024-9).

4. IMPORTS. The Ways and Means Committee reported without amendment H. R. 9315, to extend on a reciprocal basis the period of free entry of Philippine articles into the U. S. (H. Rept. 1887)(pp. 8007, 8039).

5. ADJOURNED until Mon., June 21 (p. 8039). Legislative program for next week, as

announced by Rep. Halleck; Mon., Consent Calendar, Virgin Islands organic act; Tues., Private Calendar; followed by miscellaneous bills including the foreign-aid and farm-program bills if reported in time (p. 8031).

SENATE

6. INDEPENDENT OFFICES APPROPRIATION BILL, 1955. Agreed to the conference report on this bill, H. R. 8583, and acted on amendments which had been reported in disagreement (pp. 7971-2). This bill will now be sent to the President.

7. DEFENSE APPROPRIATION BILL, 1955. Passed with amendments this bill, H. R. 8873 (pp. 7969-88, 7991-3, 7996-8). Senate conferees were appointed (p. 7998).

8. FARM PROGRAM. In considering S. 3052, the overall farm program bill, the Agriculture and Forestry Committee announced that it "had tentatively agreed to — (1) authorize the CCC to pay processing and transportation costs of surplus food commodities distributed within the U. S., and to portside for those being distributed abroad; (2) retain present law whereby penal and corrective institutions are not eligible to receive surplus food commodities without cost; and (3) a provision that beginning in 1956 the parity price for basic commodities cannot be reduced more than 5 percent per year during transition from old parity formula to the new parity formula."

9. EDUCATION. Passed as reported H. R. 7434, to establish a National Advisory Committee on Education, and H. R. 9040, to authorize cooperative research in education (pp. 8005-6).

10. RECLAMATION. The Interior and Insular Affairs Committee reported with amendment S. J. Res. 165, to authorize the Glendo unit, Wyo., Missouri Basin project (S. Rept. 1615)(p. 7951).

11. SURPLUS COMMODITIES. S. 2475, the surplus-disposal bill, was ordered printed to show House amendments (p. 7959).

12. ECONOMIC POLICIES. Sen. Carlson commended the Administration's economic policies, including pricing, budgeting, taxation, and foreign trade, and Sen. Bush inserted a New York Times article on this subject (pp. 7960-1).

13. LEGISLATIVE PROGRAM. Sen. Knowland announced that today the Senate is to consider H. R. 6435, to extend the Commodity Exchange Act to onions (which was made the unfinished business), and S. 3487, to authorize banks of cooperatives to issue consolidated debentures. He indicated that the trade agreements bill would be brought up Mon. and that there might also be a calendar call. (pp. 7998, 8006.)

BILLS INTRODUCED

14. ELECTRIFICATION. S. 3623 and 3624, by Sen. Anderson (for himself and others), to provide for power generation at Cougar and Green Peter Dams; to Public Works Committee (p. 7952). Remarks of author (pp. 7952-7).

15. PERSONNEL. S. 3627, by Sen. Carlson, to correct a "loophole" in the Civil Service Retirement Act; to Post Office and Civil Service Committee (p. 7952). Remarks of author (pp. 7957-8).

16. EDUCATION. S. 3628 and 3629, by Sen. Upton (for himself and others), to amend and make permanent the program of school assistance in Federally affected

time, and passed, and a motion to reconsider was laid on the table.

ENCOURAGING THE DISTRIBUTION OF FISHERY PRODUCTS

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of August 11, 1939 (53 Stat. 1411), is hereby amended to read as follows:

"SEC. 2. (a) The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, and ending on June 30, 1957, from moneys made available to carry out the provisions of section 32 of such act of August 24, 1935, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund and used by the Secretary of the Interior (1) to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological, and related research programs, the moneys so transferred to be also available for the purchase or other acquisition, construction, equipment, operation, and maintenance of vessels or other facilities necessary for conducting research as provided for in this section, and (2) to develop and increase markets for fishery products of domestic origin and (3) to conduct any biological, technological, or other research pertaining to American fisheries.

"(b) For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is authorized to transfer, without reimbursement or transfer of funds, any vessels or equipment excess to its needs required by the Secretary of the Interior for the activities, studies, and research authorized herein.

"(c) In carrying out the purposes and objectives of this section, the Secretary of the Interior is directed as far as practicable to cooperate with other appropriate agencies of the Federal Government, with State or local governmental agencies, private agencies, organizations, or individuals, having jurisdiction over or an interest in fish or fishery commodities and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules and regulations pertaining to requests for assistance, and other matters.

"(d) The Secretary of the Interior is further authorized to retransfer any of the funds not to exceed $1,500,000 to be made available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of this act, and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this act with respect to domestically produced fishery products.

"(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this act and the annual accruals thereto shall be available until expended, except (1) that not more than $3 million be spent in any fiscal year and (2) that the balance of the fund shall not exceed $5 million at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said $5 million balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

"(f) The Secretary of the Interior shall make a report to the appropriate committees of Congress annually on the use of the separate fund created under section 2 of this act."

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am very glad to yield.

Mr. McDONOUGH. Mr. Speaker, I would like to say that the bill just passed was brought to the House by the gentleman from North Carolina [Mr. JONAS], and I think he should get full credit for the authorship of it. This bill will create considerable economy. The gentleman has given a lot of thought and attention to it. The gentleman from California, my colleague [Mr. LIPSCOMB], has also given much study and attention to this bill. I think the RECORD should show that they have both worked hard to perfect it.

Mr. McCORMACK. Might I say that the rapidity with which the bill went through shows how careful the bill was considered in committee, and it shows that the Committee on Government Operations, at least on this bill, is a very fine functioning committee.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman will notice that in the consideration of the bill the gentleman from California [Mr. LIPSCOMB], and the gentleman from North Carolina [Mr. JONAS] handled the bill in its passage through the House.

Mr. McCORMACK. Yes.

Mr. HOFFMAN of Michigan. And very efficiently.

Mr. McCORMACK. Yes. My remarks, inferentially, were a compliment, in a sense, to the chairman.

I simply want to make the observation that the bill before the House now is a very excellent bill. I commend the Committee on Merchant Marine and Fisheries for reporting the bill out favorably, and I know it will bring about a lot of benefit to the fishing industry which badly needs favorable consideration, not only in this direction, but in many other directions that we might consider in the future.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. BATES. Mr. Speaker, I am strongly in favor of this bill, which is similar to H. R. 7641 which I introduced in the House and which was approved by the Merchant Marine and Fisheries Committee.

Specifically, the bill now under consideration would require the Secretary of Agriculture to transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, and ending on June 30, 1957, from moneys made available to carry out the provisions of section 32 of such act of August 24, 1935, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws on fishery products.

The moneys so transferred would be maintained in a separate fund and used by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological, and related research programs, and to develop and increase markets for fishery products of domestic origin.

The essence of this bill is not new. In 1939 a more encompassing measure in this regard became law. The purpose of this proposed legislation is to bring the 1939 act up to date and to make it more effective. The bill has already passed the Senate.

ACT OF 1939

The 1939 act authorizes the Secretary of Agriculture to use not more than $1,500,000 per year of section 32 funds to purchase and divert surplus fishery products for distribution through relief channels. It also permits him to transfer to the Secretary of the Interior $75,000 to conduct a fishery educational service and $100,000 to develop and increase markets for fishery products of domestic origin.

In practice, the authority to purchase surplus fishery products has never been used, although in recent years the funds for a fishery educational service and for market development have been regularly transferred.

Since enactment of the act of 1939, however, gross receipts from duties on fishery products have increased enormously. In 1940 the total amount was $4,772,428; by 1952 it had increased to $11,982,000, an increase of more than 250 percent.

It is clear that during a period when the domestic fishing industry has been increasingly in need of assistance in meeting competition from abroad, it has been making increasingly large indirect contributions for purposes unrelated to this need. The proposed bill is aimed at correcting this plainly unfair situation.

NEED OF LEGISLATION

The urgent need of this measure is self-evident.

In recent years, the fishing industry throughout the United States has become confronted with increasingly difficult problems. Nearby fishing grounds have become depleted and, as a result, the fisherman finds it necessary to travel four and five hundred miles before he can locate fish. A thousand mile journey is not unusual, as a result of the constantly changing habits of fish and their habitats. The reasons for these changes are to a large degree unknown.

Fishing techniques are constantly changing and unless there is proper guidance and practical application, the

fishermen face overwhelming handicaps in a market with a strong international competition.

Declining profits in some areas and sustained losses in others have made it impossible to secure capital to find the answer to problems which threaten the very existence of the industry.

IMPORT FIGURES

Imports have soared at a terrific pace in the past quarter century.

In 1939 imports represented only 9 percent of the domestic production of groundfish fillets.

In 1952, imports represented 81 percent.

In 1940, imports amounted to only 9 million pounds; in 1952, 107 million pounds. In all these years while imports increased 1,200 percent, our own production increased only 8 percent. Government aid, natural advantages, and lower standards of labor in foreign countries have mitigated against the domestic industry.

In 1941, imports represented only 7 percent of domestic consumption. In 1952, they represented 45 percent.

While our production of fish has increased only 8 percent in 13 years, the cold-storage holdings have increased 200 percent.

Because of low labor costs and other factors the average price ex-vessel for ocean perch at St. Johns was only 2 cents per pound while in Gloucester it was, at the same time, 3.93 cents per pound.

SCOPE OF MEASURE

The importance of the fishing industry to every man and woman in this Nation is very apparent. In peace and wartimes, it is invaluable.

Despite outside pressure and uncertainties of the moment, I am confident that the fishing industry, with proper guidance in the field of technological development, will make notable advances in the food market of our Nation. New ideas, new confidence and new fields will bring new investments and growth. The fishing industry, while old, is still young in technological development. The men who form a part of it have faced and overcome many obstacles of the past. They merely seek a guiding hand in very specialized fields of techniques and science.

In the field of biological and oceanographic research, the most urgent need is to explore the reasons for fluctuations in the supply of fish. Experts tell us that hope for overcoming this problem lies in research of ocean currents, changes in water temperature, availability of fish food, and other shifting conditions. With present knowledge, it is impossible to distinguish fluctuations in accessibility and to advise fishermen accordingly.

In the technological field, development could be undertaken of chemical tests for freshness of chilled and frozen fish and shellfish so as to provide means for control of quality. Study could be initiated of methods of freezing shrimp at sea in the Gulf of Mexico area to prevent spoilage. Methods might also be found of handling, freezing, and packaging southern oysters to broaden the market beyond the now purely local distribution of the fresh product.

To develop and increase markets for fishery products, much more data than is now available, would be helpful in determining the proper utilization of our salt-water and fresh-water fishery resources. Surveys could usefully be made of the distribution of fishery products in the larger cities in order to determine the changes in marketing since the advent of the frozen packages fish and shellfish products.

Among the educational projects beneficial to the industry which a lack of funds precludes at this time, is the development of new uses for underdeveloped and less popular species, both fresh water and salt water, so as to provide year round employment and stabilize market prices for the fishermen, processors, marketers, and consumers of domestically produced fishery products. I could cite many other examples of projects which the proposed bill would make possible.

There should be no concern in agricultural areas that this bill will limit section 32 funds for their purposes. Under the Agricultural Act of 1949, the Department of Agriculture cannot accumulate funds in excess of $300 million. Last year it was necessary to return twenty-seven millions to the Treasury, which represents about 9 times the amount that will be diverted by this bill.

For many years, there has been a strong relationship in legislative matters between agriculture and fisheries. The act of 1939 and legislation during the war tied these industries together in certain respects. In certain circles, fishermen are, and properly so, called farmers of the sea. This legislation would give to the fishing industry much needed research to assure its existence.

Mr. FOGARTY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Rhode Island.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I am pleased, Mr. Speaker, that this matter is brought up. I think it is going to be a good thing for the fishing industry.

Mr. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. WILSON of California. I wish to associate myself with the gentleman from Massachusetts [Mr. BATES] in regard to this bill and to assure you that I am wholeheartedly in favor of it.

(Mr. FOGARTY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. FOGARTY. Mr. Speaker, I rise in support of the pending bill. To my mind there can be no question of the need for this legislation. It would permit a portion of the receipts from import duties on fishery products to be allocated to the Department of the Interior for the purpose of developing a program of research in the fishing industry. Fishing is an important industry in Rhode Island and one which has, unfortunately, been on the decline in recent years. We, in Rhode Island, are acutely aware of the problems of the fisherman and are disturbed by conditions in this industry resulting from the lack of a comprehensive research program.

The subject bill provides, not for an appropriation, but for a transfer of funds available. It should be pointed out that the fisherman is not looking for a subsidy or for price supports. He is only asking that 30 percent of the revenue from imported fishery products be allotted for exploring ways and means of harvesting and marketing more and better fishery products for the nutritional benefit of the entire Nation.

I have seen such excellent results attained by a sound program of medical research that I am enthusiastic about the possibilities inherent in an intelligent program of fishery research. However, the industry itself cannot embark on such a program without help. It is composed of many individuals and small companies which lack the resources necessary to carry on a coordinated research activity.

They need help and they are certainly entitled to at least a portion of the same type of help which is so freely given to the agricultural industry. While I feel that the amount of the proposed transfer of funds is not enough to do the job in an adequate and proper fashion, it is at least a start in the right direction and I earnestly hope that it is approved by this body.

(Mr. WILSON of California asked and was given permission to revise and extend his remarks.)

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in connection with this measure at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. CURTIS of Massachusetts. Mr. Speaker, I rise in support of this bill which was introduced by our distinguished senior Senator from Massachusetts, Hon. LEVERETT SALTONSTALL.

The fishing industry is one of great importance to the Commonwealth of Massachusetts, and Boston is an important center of that industry in addition to Gloucester and other places. Many constituents whom I represent in the Boston area are engaged in this industry, and have urged favorable action on this bill.

The fishing industry has had some hard going in recent years due partly to the huge increase of imported frozen fish. It has been said that some of those imports were stimulated through the use of mutual aid funds in a competing area.

However that may be, this bill offers an opportunity to take a constructive step in support of this industry. It gives badly needed support to research and other activities affecting it. Here is a wise and proper step that the Congress can take that does not involve large ap-

propriations of money, and which will be of great aid to this important industry. It deserves enactment here and now with a tremendous vote in its favor.

Mr. WILSON of California. Mr. Speaker, I am supporting S. 2802 on behalf of the tuna-fishing industry on the Pacific coast. This bill gives long-overdue recognition to the position of the fisheries of the United States and their contribution to the economy of our Nation.

For the past several years, the fishing industry in my district has been in dire straits. The current condition stems from a combination of factors, such as the invasion of the domestic market by foreign fish products, the import of which has increased some 230 percent between 1940 and 1953. Coupled with these increased imports, we have suffered from an extension of capital facilities in the form of fishing vessels, largely due to the anticipated expansion of domestic markets without the infringement of the market by foreign producers.

Since the industry has been afforded little protection from imports, as evidenced by the large increase in such imports, it seems simple justice that a portion of whatever duties are collected under the inadequate tariff laws should be used to assist the industries which suffer from such imports.

The fishing industry is unable to conduct large-scale research or to develop new methods of conservation and production. The field is too vast and is beyond the control of the industry. Therefore, this evidence by Congress of an interest in the problems of the fishermen will be most welcome at this crucial period in their fight for existence.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PROGRAM FOR NEXT WEEK

(Mr. McCORMACK asked and was given permission to address the House for 1 minute.)

Mr. McCORMACK. Mr. Speaker, my purpose is to ask the distinguished majority leader if he can give us the program for next week.

Mr. HALLECK. Yes; I shall be glad to do that.

First, of all, Mr. Speaker, I would like to say that the other day a question was asked me as to whether or not we would be in session Friday, and at that time I said I thought we would. That was predicated upon the hope that possibly the Committee on Agriculture or the Committee on Foreign Affairs or the Committee on the Judiciary might be able to report this week so that we could take up some of those measures. However, that did not come to pass.

For the first of next week we can clean up the bills on which rules are outstanding. That is what we propose to do, still in the hope that late in the week or very early next week these other measures may come out for action.

On Monday, the Consent Calendar is in order, and it will be called.

Mr. McCORMACK. Will there be any suspensions on that day?

Mr. HALLECK. I know of no bills to be called under suspension. Then we hope to call up H. R. 5181 to amend the Virgin Islands Organic Act.

Mr. McCORMACK. Is that on Monday?

Mr. HALLECK. Yes. For Tuesday and the balance of the week we will call the Private Calendar first. That is by special arrangement because of the situation that prevailed heretofore. There are a large number of bills there for consideration. Following that H. R. 9143, to amend the Federal Reserve Act. That rule has already been adopted on that measure.

Then S. 119, the Markham Ferry project in Oklahoma, and

H. R. 4854, the Chief Joseph Dam project in Washington.

Then, if bills are reported and rules are reported, the following bills will be called up: The Mutual Security Act of 1954; the Agriculture Act; the Communist Control bill.

Any other program that might be possible of accomplishment will be announced under an arrangement with the minority so that they will know what to expect.

Of course, conference reports may be brought up at any time. It is hoped that we will have some conference reports on some of the appropriation bills for action next week.

Mr. McCORMACK. Can the gentleman give any information as to when the pay raise bill for postal employees may be brought up?

Mr. HALLECK. No, I cannot. As I understand it, that bill has just been reported. I do not know whether hearings have been held before the Rules Committee; I understand that they have not. But when that might be reached I cannot say.

Mr. McCORMACK. Could the gentleman project his thinking into next week and advise if there is any possibility of that bill being brought up next week?

Mr. HALLECK. I had not scheduled it because I do not know. I doubt that it will come up next week.

ANNIVERSARY OF WORKERS' REBELLION IN EAST BERLIN

(Mr. JAVITS asked and was given permission to address the House for 5 minutes and to revise and extend his remarks.)

Mr. JAVITS. Mr. Speaker, this is the first anniversary of the workers' rebellion in East Berlin. June 17, 1953, was the day upon which unarmed workers, outraged by the occupation by the Red army and its Communist East German puppet government of East Berlin, stood against tanks and the vaunted might of the Red army and expressed their disapproval of the Red regime. A regime that is not only a domestic tyranny for East Germany but also is preventing the unification of all Germany and thus hindering Germany in doing its full part in returning to the comradeship of nations as a unified nation and to help the rest of the free world attain peace and economic well being.

Two things, I think, need to be called to the attention of our country and the whole world. First, that men have not lost their courage and their heart, and that men who are outraged by this Red tyranny as these East German workers were—this Red tyranny like Hitler's tyranny, and barbarous tyrannies—have always found men brave enough to stand up and protest against them. There is courage and there is bravery and there is a sense of outrage among the captives of the Kremlin behind the Iron Curtain. The first thing, then, we must remember is that these men of East Germany thought enough of their individual and human rights to stand up with bare hands against tanks and arms even of the most modern kind.

Some East German workers, as you know, were shot as a result of the workers' rebellion of June 17, 1953; they are truly martyrs for freedom which will yet prevail everywhere. We saw the workers' rebellion in East Berlin through movies and television and news reports because of its proximity but we did not see the workers' rebellions in Czechoslovakia, Poland, and other places where they were reputed to take place. The information seems to be reliable that they did take place. Hence, let us draw from this the strength of feeling that it is possible to pull down the Iron Curtain and that given a suitable policy and implementation it can be defeated from within, that this is possible and practical. When American policy has liberation of the peoples behind the Iron Curtain as its objective it is not moongazing or dreaming.

Secondly and very importantly, we hear so many rosy statements about the paradise which the Soviet Union is creating. At the very least, all can see that when men stood up against tanks as these workers did in East Berlin this is not only no paradise to them but they preferred death to what they are enduring under the Soviet masters. The Soviets pretend their system is not good for capitalists, or owners of stock and bonds, that their system is good for workers, but when workers do what they did in East Berlin, it should demonstrate convincingly to the whole free world that these Soviet rulers and their Communist puppets are imperialists, colonialists, occupiers, and conquerors, just like barbaric despots and totalitarians who have preceded them in history, that they are no different, that they are just to be lumped with the Hitler nazism of which they pretend to be such enemies.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. JOHNSON of California. I compliment the gentleman on making this talk. What you are discussing should be proof to everyone that there are men in the world who believe in freedom and who will risk their lives for freedom. This was a demonstration that proves that exactly. Also, I think the demonstration in Berlin is typical of what is going on in the minds of other people in Europe who are behind the Iron Curtain. Some day, perhaps, they can gain their freedom. It is a sad thing that men who want freedom and who believed in the right of human beings as against the domination of the government cannot have freedom. I hope and pray that what those men showed in the way of courage, we can accomplish by negotiation in the future.

Mr. JAVITS. And also that the peoples who seek freedom and are now Communist captives may be encouraged by the buildup of our military strength and the economic strength of the free world and its moral strength.

May I, as a special memorial to these workers who fought against the Communists in East Berlin on June 17, 1953, call the attention of the House to the barbaric outrage, of the kidnappings from West Berlin by the Soviet Communist regime in East Berlin. May I call your attention for example to the barbaric character of the kidnaping by the Soviet regime in East Berlin verified by our State Department of Dr. Trushnovich, a stateless person of Slovene origin who came to Berlin in 1950 with American assistance and established a relief organization for Russian orthodox refugees to provide assistance to the refugees from communism and who was kidnapped out of West Berlin by the Soviet agents on April 13, 1954. Now how immoral and how uncivilized and how barbaric can a Red regime be and this shows just how barbaric it can be. It shows what we are fighting against in the Soviet Communist idea. I hope, as we debate policy here, we realize that only the united strength, fully integrated of the whole free world and its aroused moral strength will win this struggle which we know we can win with the sentiment demonstrated by these East Berlin workers who defied the Red army behind the Iron Curtain.

BACK ON THE RAILS — FROM TRUMAN TO EISENHOWER

(Mr. WAINWRIGHT asked and was given permission to extend his remarks at this point in the RECORD and include an editorial.)

Mr. WAINWRIGHT. Mr. Speaker, it is with great pride that I call to the attention of our colleagues the editorial in today's New York Times. With pepper thrown in our political eyes through unwarranted diversion, it is reassuring to see presented this six-point appraisal which has put the country "back on the rails."

A return to economic sanity has been long overdue. This intelligent review summarizes the administration's success in a manner which is unbiased and completely fair.

BACK ON THE RAILS—FROM TRUMAN TO EISENHOWER

When the Nation voted Mr. Eisenhower into the White House in 1952 it did so, in part at least, because it saw in him a man who had not only a coherent economic philosophy but a philosophy that stressed traditional American values and traditional American institutions. We believe that what the country has further learned since January 1953 is that behind this economic philosophy lay deep personal convictions and a determination to see that insofar as it was possible to do so it was translated into an effective legislative program.

What were the key points in that economic philosophy? They were (1) a return to the free price system; (2) the establishment of an "honest dollar," (a dollar "which would have the same purchasing power today that it had a year ago, and the same a year hence as it has today"); (3) the restoration of sound fiscal policies in all three major areas covered by that term—the budget, taxation, and management of the Federal debt, and (4) a foreign economic policy which would rest primarily on "trade not aid."

This seems to us to be an appropriate time at which to summarize the progress that has been made toward the achievement of these objectives.

I. PRICE-WAGE CONRTOLS

Mr. Eisenhower throughout his election campaign repeatedly stressed the idea of a free-price economy. As he put it on one occasion: "The great strength of our democracy has developed in an atmosphere of freedom. The character of our people resists artificial controls."

If anyone assumed that this pasage was merely an ear-pleasing platitude he was in for an early disillusionment. For months the decontrol of wages and prices had been a recurrent subject of debate in Washington, and each time the stabilization authorities had warned of the dire consequences that could be expeected to result from such a reckless course. President Eisenhower, however, was unimpressed by such prophecies. On February 6, only 4 days after he had delivered his first state of the Union message, he announced that he was terminating wage and salary controls, as well as those on many consumer goods, as of that date. By March 17 the last package of items had been decellinged. For the first time since January 26, 1951, the United States found itself in a free-price economy.

And what of the gloomy warnings of the Price Administration and those other timid souls who lacked the confidence of the President in the free market? The best answer to that question is provided in the Bureau of Labor statistics index of consumer prices. In mid-March 1953, this index stood at 113.6. The latest figure, that for April 1954, is 114.6, a rise of less than nine-tenths of 1 percent.

The psychological effect of this swift and decisive action by the President was incalculable. It not only put an end to much of the prevailing economic hypochondria, but it served notice that the President was prepared to face up to an overall task on the economic front.

II. DEFENSE FOR THE DOLLAR

It is necessary, of course, to distinguish between a policy of permitting prices to move freely with reference to one another (which was the purpose of removing direct controls) and a policy of permitting a general inflation of the whole price structure.

It was the possibility of such a general inflation of prices that the President had in mind when he spoke of "defending the purchasing power of the dollar." Providing the first line of that defense is the combined function of monetary, budget and tax policy. The first two of these weapons were out of action under the Truman administration, the first because of its commitment to cheap money; the second because of failure to pursue an aggressively anti-inflationary budget policy. It was necessary, therefore, to rely entirely on taxation, not merely in a futile effort to balance the budget, but as a substitute for a genuine all-out policy.

One of the first steps taken by President Eisenhower after his election was to translate what was then little more than an armed truce between the Treasury and the Federal Reserve into a real peace by appointing to key Treasury posts men who clearly understood that to permit a nation's exchequer to dominate its monetary policies was to subject the national currency to the gravest peril.

III. FISCAL POLICY: THE BUDGET

One problem confronting the incoming administration recalled, more than any other, perhaps, Sir Winston Churchill's comment on the situation in Britain in 1951 that "we took over the economy when it was like an express train out of control on the wrong track." That was the problem of the budget.

Every so often one hears the charge made that President Eisenhower has failed to make good on his promise to balance the budget. To put the record straight it should be pointed out that this is a highly elliptical version of the policy to which Mr. Eisenhower committed himself in his preelection campaign. The closest he came to anything that could be called a timetable for putting that policy into effect was in a speech at Peoria. "My goal," said he on that occasion, "is to cut Federal spending to something like $60 billion within 4 years." This would mean June 30, 1957, a date that is still more than 3 years off.

The first opportunity the new administration had to make a beginning in its policy of budgetary reform came with the submission of the budget estimate for 1953–54 by President Truman in January 1953. This budget called originally for receipts of $68.7 billion, a figure virtually identical with that for 1951–52, the largest in history, either in peace or war. Expenditures were estimated at $78.6 billion, a total never exceeded previously, except during World War II. The indicated deficit was $9.9 billion, another peacetime record figure.

Bringing such a budget under control would have been a formidable undertaking under the most auspicious circumstances, but circumstances were anything but auspicious. There were at least two factors that compounded the difficulty of the task. In the first place, the situation was one which indicated a further increase in expenditures at the very time the emergency taxes enacted after the outset of hostilities in Korea were scheduled, 1 by 1, to expire. In the second place, the problem of cutting expenditures was complicated by the existence of what has been referred to as an $80 billion hangover. In other words, there were $80 billion that had not yet been spent, but whose expenditure Congress had already authorized. Nevertheless, present evidence indicates that the year end will reveal a deficit in the administrative budget of not more than $3.5 billion to $4 billion and that the cash deficit will probably be less than $1 billion.

IV. DEBT MANAGEMENT

The inflationary potentialities of the public debt and its vulnerability to sudden changes in the economic climate depend principally on two characteristics—its size and its composition.

The debt which the Eisenhower administration inherited from its predecessor totaled roughly $267.2 billion, to which several billons more would have to be added to cover the period required for bringing the budget under control. The fantastic rise in the debt from midway between World War I and World War II, when it stood at $16 billion, to 1947, when it totaled $252 billion,

Public Law 466 - 83d Congress
Chapter 447 - 2d Session
S. 2802

AN ACT

To further encourage the distribution of fishery products, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of August 11, 1939 (53 Stat. 1411), is hereby amended to read as follows:

Fishery products. Distribution.

"SEC. 2. (a) The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1954, and ending on June 30, 1957, from moneys made available to carry out the provisions of section 32 of such Act of August 24, 1935, an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund and used by the Secretary of the Interior (1) to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service and fishery technological, biological and related research programs, the moneys so transferred to be also available for the purchase or other acquisition, construction, equipment, operation, and maintenance of vessels or other facilities necessary for conducting research as provided for in this section, and (2) to develop and increase markets for fishery products of domestic origin and (3) to conduct any biological, technological, or other research pertaining to American fisheries.

Transfer of funds.

49 Stat. 774.
7 USC 612c.

Use.

68 Stat. 376.
68 Stat. 377.

"(b) For the purposes of this section, any agency of the United States, or any corporation wholly owned by the United States, is authorized to transfer, without reimbursement or transfer of funds, any vessels or equipment excess to its needs required by the Secretary of the Interior for the activities, studies, and research authorized herein.

Transfer of excess vessels, etc.

"(c) In carrying out the purposes and objectives of this section, the Secretary of the Interior is directed as far as practicable to cooperate with other appropriate agencies of the Federal Government, with State or local governmental agencies, private agencies, organizations, or individuals, having jurisdiction over or an interest in fish or fishery commodities and he is authorized to appoint an advisory committee of the American fisheries industry to advise him in the formulation of policy, rules and regulations pertaining to requests for assistance, and other matters.

Agency cooperation, etc.

Advisory committee.

"(d) The Secretary of the Interior is further authorized to retransfer any of the funds not to exceed $1,500,000 to be made available under this section to the Secretary of Agriculture to be used for the purposes specified in section 1 of this Act, and only such funds as are thus transferred shall be used for the purposes specified in section 1 of this Act with respect to domestically produced fishery products.

Retransfer of funds.

"(e) The separate fund created for the use of the Secretary of the Interior under section 2 (a) of this Act and the annual accruals thereto shall be available until expended, except (1) that not more than $3,000,000 be spent in any fiscal year and (2) that the balance of the fund shall not exceed $5,000,000 at the end of any fiscal year, and the Secretary of the Interior shall retransfer the funds in excess of said $5,000,000 balance to the Secretary of Agriculture to be used for the purposes specified in section 32 of the Act of 1935 (49 Stat. 774; 7 U. S. C. 612c), as amended.

Availability of funds.

All 68 Stat. 377.

Report.

"(f) The Secretary of the Interior shall make a report to the appropriate committees of Congress annually on the use of the separate fund created under section 2 of this Act."

Approved July 1, 1954.

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